

TWENTY CENTS

APRIL 5, 1930

APR 7 1930

Sales Management

The Weekly Magazine for Marketing Executives



J. Howard Teagan
General Sales Manager, Gar Wood, Inc., Marysville, Michigan

Gar Wood Sets Out to Quadruple
Motor Boat Sales in 1930



Public Antagonism—A Knife
in the Heart of the Chains

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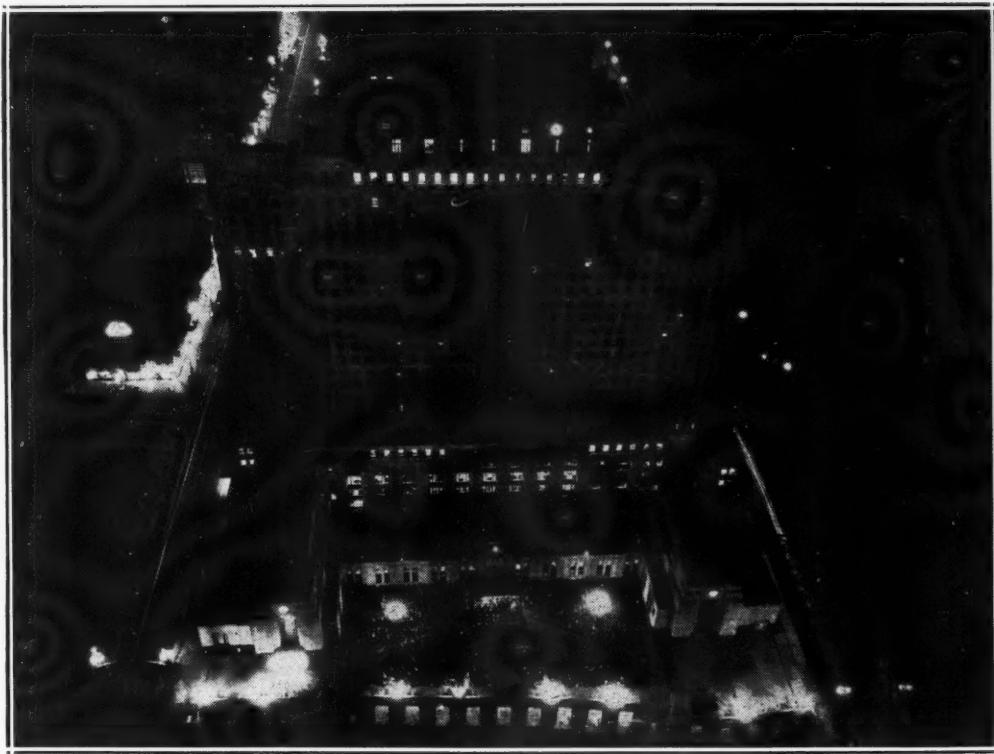
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...CHICAGO



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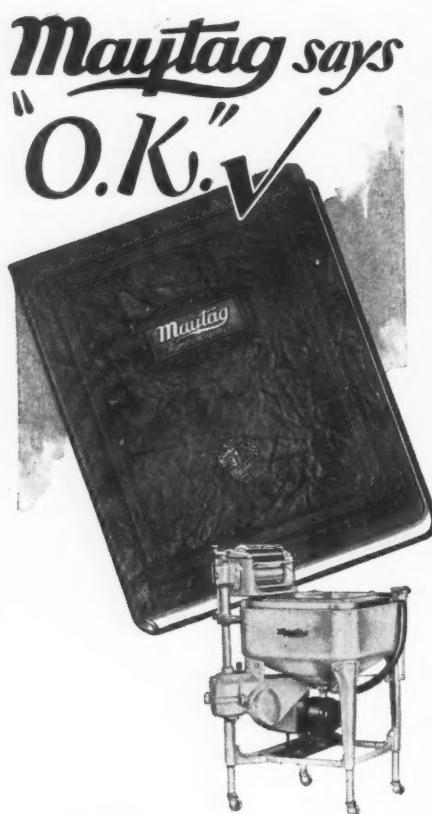
NEW YORK—John B. Woodward Inc., 110 East 42d Street
 DETROIT—Joseph R. Scolaro, 3-241 General Motors Bldg.
 SAN FRANCISCO—C. George Krogness, Crocker Nt'l Bank Bldg.
 ATLANTA—A. D. Grant, 711-712 Glenn Bldg.

Member of the 100,000 Group of American Cities

THE CHICAGO DAILY NEWS

CHICAGO'S HOME NEWSPAPER

Published every Saturday and copyrighted by SALES MANAGEMENT, INC., 420 Lexington Ave., New York, N. Y. Subscription price, \$4.00 a year in advance. Entered as second-class matter June 1, 1928, at the Post Office at New York, N. Y., under the Act of March 3, 1879. Volume XXII. No. 1.



THE cover of this handsome Maytag catalog is a *De Luxe* loose leaf product. It is of genuine leather, deeply embossed and so perfectly made in every detail that the Maytag Company of Newton, Iowa, unhesitatingly chose it as the ideal binder for their Washing Machine catalog.

De Luxe binders are the best that experts can make—in design, in material and in workmanship. For every binder purpose there is a *De Luxe* product to fit.—“O.K.” both in appearance and in price.

The coupon below will bring detailed information; or see your local *De Luxe* dealer.

Wilson - Jones Company

General Offices and Factory
3300 Franklin Blvd., Chicago Ill.

New York
233 Spring Street

Kansas City, Mo.
Eighth and Locust Sts.

Wilson-Jones Company Adv. Div. S.M.-430
3300 Franklin Blvd., Chicago, Ill.

Please send information concerning
De Luxe Covers and Loose Leaf products.

Name _____

Address _____

City _____ State _____

My stationer is _____

Survey of Surveys

BY WALTER MANN

Robinson of Crowell on Trading Areas

Direct and to the point are the comments of R. A. Robinson of the Crowell Publishing Company's research department, which arrived about a week ago, as a result of the series of articles on trading area delineation appearing in recent issues of *SALES MANAGEMENT*. He takes up two basic phases of the problem in an interesting way.

The first question he raises as to present methods of delineation is their lack of direct applicability to specific products. He questions the practicality of the “general” areas now in use, because, he says, an average area can never be the actual basis of measurement for anything but the average product. And without any better bases for measurement than now exist how can a man tell whether his product is average or not, or, if he knows it is, above or below average—how much above or below?

His second comment is even more to the point. He says that to date most of the systems of applying buying power indices to given “areas of influence,” “trading areas,” “marketing zones” or whatever one cares to call them, have been devised by publishing houses or advertising agencies and that the very generalities which all seem to possess automatically defeat their purpose. He insists that there must be a lot of systems now in use in different industries, with varying degrees of success; and he wonders whether there aren't a few farsighted sales executives who will tell about the success or failure of their own plans as well as those offered by agencies and publishers, when applied directly to specific trades and industries. His question is an earnest one. It deserves the serious thought of S. O. S. readers who are willing to exchange favorable and unfavorable experiences with trading area outlines in the interest of bringing out a common basis for further experiment. He urges a digest of the present methods used by manufacturers as a means of solving the problem.

Mr. Robinson's Letter

“I have read your series of articles on Trading Areas with a good deal of interest and believe you are doing an extremely valuable thing for the science of distributing goods by thus focusing attention and crystallizing opinion on the problem of marketing areas. I hope they will continue.

“Obviously an intrinsic part of the problem of *how* to distribute goods more economically is this one of *where* to distribute them so that they will be easily available to the ultimate consumer.

“A manufacturer of radios ought to know, for example, in how many places it would be necessary to display his product to place it within the shopping purview of every prospective customer in the country. The same with the maker of automobiles, groceries or shaving creams.

“Now personally it seems to me that the difficulty of subdividing the country into shopping districts or trading areas is the fact that these boundaries vary for different

products. The marketing areas for hardware or drugs are different from those of automobiles or furniture. Hence the wisdom of Paul Stewart's *Market Data Handbook** in presenting his figures by counties so that users of the book could set up totals for groups of counties to fit the needs of the individual organizations.

“What has been lacking in most discussions of trading areas is this practical point of view. Published discussions have explained and analyzed several types of theoretical marketing areas. Of course, these have all been based on exhaustive research of buying habits and are most excellent contributions to the subject. But for the average manufacturer they must be considered theoretical until put to use by the trial and error method.

“What the average market executive wants to know is, I think: how do these plans work out in *actual practice*; what have been the results of using them; what other systems are in use; do manufacturers devise their own systems of trading areas and, if so, how do they divide the country accordingly?

“It would undoubtedly take considerable research to publish an exhaustive digest of the systems used by individual companies, but I think it would be one of the greatest contributions to the study of market analysis that could be made.

“To date, most of the systems known to research men are devised by publishing houses or advertising agencies. What I should like to see would be a discussion of the systems actually used by marketing executives in distributing tangible products like foods, toilet goods, automobiles, etc. With sufficient evidence of this kind it might be possible to construct marketing areas for every type of product.

“It's a large order, I admit; but I'm convinced it's a job that has to be licked sooner or later.”

What Is to Be Done About It?

What are S. O. S. readers going to do about it? Do they want this trading area riddle solved badly enough to contribute their experiences into a common melting pot? Their names need not enter into the discussion if they prefer not to have them there. But something certainly ought to be done in the interest of clarification of the whole subject. Who will volunteer with their experiences?

Thumbnail Reviews

A Descriptive List for Use in Acquiring and Discarding United States Government Periodical Mimeographed Statements. A compilation which indexes and describes government releases ranging in subject from the ravages of the Mediterranean fruit fly to the weekly reports of brokers' loans. Each item is marked “keep” or “discard” to advise whether the material in question will be duplicated in printed form. Special Libraries Association, 11 Nisbet Street, Providence, Rhode Island. \$1.75.

*Reviewed in a recent issue.

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Saturday

Sales Management

Publication Office:
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New York. Phone
Lexington 1760



© H. Armstrong Roberts

FOR years druggists had "carried" but not "sold" the line of a long-established drug house. The control of the house passed to new management and the whole marketing scheme was changed to prove that volume which had always been regarded as fairly constant could be greatly increased with the right type of merchandising. The complete story will be told soon in SALES MANAGEMENT.

THROUGH standardization on an eleven-point canvass, an Eastern life insurance company increased the sales of twenty-eight men on the New York City sales staff more than \$3,500,000 in one year. Using this plan, two men who had never before sold life insurance wrote almost \$9,000,000 worth of policies in twenty-one months' time. The plan will be thoroughly analyzed for readers of this magazine by the man who worked it out.

EVERY concern that is advertising—or thinking about advertising—should find it worth while to present the facts about Coca-Cola's advertising history before its own board of directors. The story appears on page 14.

CONTENTS

Advertising

Advertising Costs Per Gallon Drop as Coca-Cola Appropriation Soars 14
By Lawrence M. Hughes

The Smaller Advertiser Fifteen Years Ago—and Now 18
By Walter Mann

Still Another Cooperative Idea Rings the Bell 21
By Forrest B. Makechnie, sales and advertising manager, New England Independents

Compensation

Practical Plans for Paying Specialty Salesmen 26
The conclusion to an article by Richard C. Hay

Distribution

Public Antagonism—A Knife in the Heart of the Chains 10
By James True

General

Significant News 9

Sales Policies

Stanley Uncovers a New Market Among Hobby-Riders 12
As told to A. L. White by F. R. Gilpatric, general manager, sales promotion, The Stanley Works, New Britain, Connecticut

Oshkosh Makes a Ten-Strike Selling Without Salesmen 16
By C. E. Wittmack, vice-president, Oshkosh Overall Company, Oshkosh, Wisconsin

Styling

Sales Management Gallery 22-23

Training Salesmen

Celotex Offers Training Course for Retail Salesmen 28
By L. M. Cole

Departments and Services

Survey of Surveys 2

Latest News in Sales and Advertising, Beginning on 30

Gar Wood Sets Out to Quadruple Its Motorboat Sales 32

Editorials 42

RAYMOND BILL, President; PHILIP SALISBURY, Vice-President and Director of Advertising; J. F. WEINTZ, C. E. LOVEJOY, Vice-Presidents; M. V. REED, Eastern Advertising Manager; FREDERICK FRANKLIN, Promotion Manager; R. E. SMALLWOOD, Circulation Manager; G. D. YOUNG, London Manager. Published by SALES MANAGEMENT, INC., 420 Lexington Avenue, New York; Chicago Office, 333 North Michigan Avenue; London Office, 33 Chancery Lane, W. C. 2.

Who Wants to Share in a Matter of \$9,299,159.21?

Yet—that's only the income thus far to members of the Florida citrus cooperative organization, which represents about half the total crop! Prices at market averaged about \$3 a box, and prices are rising; yet more than 3,500,000 boxes are yet unshipped! Many a need exists for personal and household uses. And such a lead-in to this purchasing power, through "Florida's Foremost Newspaper"—

The Florida Times-Union

JACKSONVILLE
FLORIDA

OUTDOOR ADVERTISING *Through Your Advertising Agency*

THE direct interest of the National Outdoor Advertising Bureau, Inc., is to assist its agency members in buying and properly using space for their clients.

Starting from "scratch" in 1919, the Bureau's services to its agency members and their outdoor advertising clients have been expanded, until now a nation-wide organization is maintained.

Completely equipped administrative, contracting and servicing offices are maintained in New York and Chicago and additional servicing offices in Detroit and San Francisco.

The Bureau is the only outdoor organization that maintains a thoroughly organized Field Service Department whose sole function it is to make regular and systematic, unbiased and unprejudiced inspections and check-ups of the thousands of Poster and Painted Display Plants throughout the United States. It is designed to give a true picture of the medium, and is as valuable to the conscientious plant owner as it is to the advertiser. This service is obtainable only through the Bureau.

The Officers and Operating Committee of the National Outdoor Advertising Bureau, Inc., have been elected from representative agency members from all parts of the country. The interests of each of the 231 agency members guide the actions of this committee, which is reflected in the steady increase in membership and growth of volume of outdoor advertising placed by the Bureau.

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DOING VERY WELL-- THANK YOU

The following table shows the trend of advertising in New York standard newspapers since the stock market recession of last Fall.

The staunchness of the World papers is clearly evident in the comparative figures

GAIN OR LOSS TOTAL DISPLAY ADVERTISING LINEAGE

(November to February, Inclusive)

MORNING PAPERS

LINES

World	59,246	Loss
American	101,908	Loss
Herald-Tribune	309,632	Loss
Times	517,987	Loss

SUNDAY PAPERS

LINES

American	218,460	Loss
Herald-Tribune	230,360	Loss
World	259,554	Loss
Times	272,503	Loss

EVENING PAPERS

LINES

Evening World	13,908	Loss
Telegram	95,882	Loss
Post	202,787	Loss
Journal	279,410	Loss
Sun	364,838	Loss

The New York World
MORNING AND SUNDAY

The Evening World

Tribune Tower
Chicago

PULITZER BUILDING
NEW YORK

Gen. Motors Bldg.
Detroit

Significant News

• • • Net profits of 1,520 manufacturing and trading corporations in 1929 amounted to \$4,160,350,000, a gain over 1928 of \$611,000,000, 17.2 per cent, according to a National City Bank, New York, tabulation. Their total net worth in 1929 is put at \$32,341,356,000, compared with \$30,378,683,000 the year before. The respective returns on this measure of investment was 12.9 and 11.7 per cent.

• • • Biggest gains in return were shown in these classifications: amusement, drug and sundry, electrical equipment, heating and plumbing, iron and steel, office equipment, paper, pipe lines, railway equipment, restaurant chains, rubber tires and shipping. The chief declines were in automobiles, fertilizers, chain stores, mail-order houses, rayon and real estate.

• • • Income tax receipts in March amounting to \$559,504,000, only \$42,000,000 less than in March 1929, notwithstanding the reduction in the normal tax rate, are interpreted as indicating exceptionally large payments by corporations or else actual speculative losses by individuals very much smaller than popular estimates.

• • • A sharp upturn in SALES MANAGEMENT's weekly index to motor car activity—from 116 for the week ended March 22 to 121 for the week ended March 29—is a sign of distinct promise. It is supported by President Erskine of Studebaker, who observes noticeable improvement in demand for passenger cars during the last two weeks.

• • • Labor and building interests should soon feel the influence of the \$230,000,000 public building law signed by President Hoover this week.

• • • Dutch rubber growers have joined the British in the Far East to regulate output by suspending production in May, thereby reducing world supply in that month by one-half. Voluntary action of this sort including both of the major interests may prove more effective than the abandoned Stevenson Act which, affecting only British growers, gave the Dutch growers a free hand.

• • • While Mr. Legge is laboring as chairman of the Farm Board to help agricultural conditions, International Harvester, of which he was president, reports earnings for 1929 that are anything but pessimistic in their testimony to the buying power of farmers, net profit of \$36,780,000 being nearly 24 per cent more than in 1928.

• • • Stabilization of wages and employment by means of wage reserves set aside in prosperous years is suggested by Senator Couzens. His idea apparently is that corporations should do voluntarily what in some countries is compelled by unemployment insurance.

• • • Shippers' requirements for railroad cars in the second quarter are put at 8,211,451 cars by the advisory boards, 4.2 per cent less than in the same period last year. This indicates substantial improvement over conditions since the first of the year, the decrease in loadings in that period having been 7 per cent.

• • • Stocks of manufactured goods on hand at the end of February were 3 per cent less than at the same time last year, according to Federal Reserve Board index numbers published this week. Stocks of raw material, on the other hand, were 6½ per cent more. Industrial production was off by about 10 per cent.

• • • Musician and stage hand labor unions, whose members have been put out of their jobs by the talking movies, are to open a theater of their own in Denver this month.

• • • Five independent soft coal companies in the Pittsburgh district with a combined annual output of 7,500,000 tons have pooled their marketing operations in an effort to stop ruinous competition. Their lawyers think the plan is legal or should be made so by legislation.

• • • The RCA-Victor Talking Machine merger, which went into effect in February, 1929, produced total income last year of \$182,138,000, about 82 per cent more than that of the individual companies in 1928 added together. Extraordinary expenses and depreciation allowance cut the net income, \$15,893,000, nearly 20 per cent below that of the year before. It is significant that a large tube and radio set inventory piled up in the final quarter was reduced by half in the first quarter of 1930.

• • • McKesson & Robbins's net income in 1929, reflecting earnings since the big expansion, amounted to \$3,097,000, or, after preferred stock dividends, \$2.54 per share on common stock, compared with \$3.70 a share the year before. President Koster explains that large expenditures in organizing more than 15,000 dealer outlets and for other developments were written off last year.

• • • The falling off in residential building during the year ended March 31 amounted to a billion dollars below the average for 1925-1928, according to Thomas S. Holden of F. W. Dodge. He adds that this reduction must have gone very far toward deflating whatever oversupply existed a year ago.

• • • The big mail order-chain store houses had a relatively poor March. Sears Roebuck sales of \$25,174,000 were 10.9 per cent less than in March, 1929, and Montgomery Ward's, \$20,632,000, were down 8.7 per cent. A March Easter last year had something to do with these losses undoubtedly. But there are signs that chain store exuberance, characteristic of recent years, is beginning to subside, for the nonce at all events.

• • • Eastman Kodak established a new record for net earnings last year—\$22,005,000, equivalent to \$10.26 a share on common stock, taking the average outstanding for the year. This compares with \$9.60 the year before.

• • • The Eaton-Otis' group got two more directors in Goodyear Tire & Rubber at the annual election this week. This and the authorization of a large increase in stock revived old rumors of impending mergers. Of more immediate importance, it probably signifies a change of control involving new executive management.

Public Antagonism— A Knife in the Heart of the Chains

TO many manufacturers, the present nation-wide fight against chain stores is perhaps the most significant phase of the mass distribution movement. For several years, economists and business analysts have expressed the opinion that, with very few exceptions, the producers of branded and advertised merchandise cannot continue to sell profitably through both the chain and independent channels of distribution. At least one prominent chain official has made a similar statement, and has mentioned a number of facts from his experience to support his claim.

In numerous instances, particularly in the grocery field, manufacturers have found that their goods, when sold to chains at the special concessions necessary to get the mass business, have demoralized thoroughly their distribution through independent wholesalers and retailers. Judging from a large number of letters recently received by several organizations in Washington, manufacturers in a vari-

failed; but in hundreds of towns and communities local organizations are using every available means to defeat chain store distribution.

The campaign is most intense in the Southern and Southwestern states; but it is gaining headway throughout the North, and only the large cities of the East appear to be free from organized and active opposition. In many localities, public officials are lending their influence to the movement, and there is no doubt that the campaign has had and will continue to have a stimulating effect on state legislation and later on the passage of national laws for the regulation of chain enterprises.

Since the first of the year, the executive head of a large statistical and information organization of Washington, has collected material and data on the subject from all sections of the country. This collection includes special reports, newspaper clippings, publications, announcements and other information, and furnishes probably the best present means of judging the ex-

appears to be more serious than the chain report indicates.

There is little doubt that the movement is temporary; but there are indications that it will have a lasting effect in at least two directions. It is sowing suspicion of the chains in the minds of millions of consumers, and teaching them to check sales slips, note the contents of cans, compare both quantity and quality in purchasing, weigh bulk goods, and to think about the welfare of their communities. These results will affect chain merchandising for years to come, according to several economists who are studying the subject. But the effect of legislation is more serious, since prejudiced legislation usually requires a long time to nullify or repeal.

Early in March, in Kentucky, a bill passed the state Senate on a vote of twenty-seven to eleven, after passing the House by an overwhelming majority. This law levies a tax on all retail gross sales in the state, wherever merchandise is sold through retail stores, and provides that the tax shall be in addition to all other taxes. For stores doing less than \$400,000 a year the tax is one-twentieth of one per cent, and the rate is increased until it becomes one per cent of the gross sales of all stores and chains doing in excess of \$1,000,000 annually. And in Texas, on March 9, the house passed a bill on a vote of seventy-six to twenty-five to levy an occupation tax of one per cent of gross sales of all chain store organizations operating five or more stores within the state.

Other states are expected to enact similar laws, framed in a manner that will make them constitutional. Such legislation is, of course, the result of political opinion, unfavorable to the chains because a growing number of public officials and political leaders are lending their influence to the opposition campaign.

Typical of several is a recent report from Asheville, North Carolina, which states that the mayor of the city has accepted the presidency of the Western Carolina Betterment Association, organized to fight the chains. With a reported membership of 1,000 business and professional men and a

Just how widespread is the anti-chain movement, and how serious is it? Many manufacturers have asked us this question recently. Mr. True presents here a bird's-eye-view picture of some of the typical phases of the fight. He shows that the movement has already become both widespread and powerful.

ety of lines are now realizing that it is to their interest to confine their distribution to one channel or the other, and their problem appears to be to select that channel which will ultimately deliver the greatest volume of profitable business. For this reason, undoubtedly, manufacturers are expressing a great deal of interest in the anti-chain campaign.

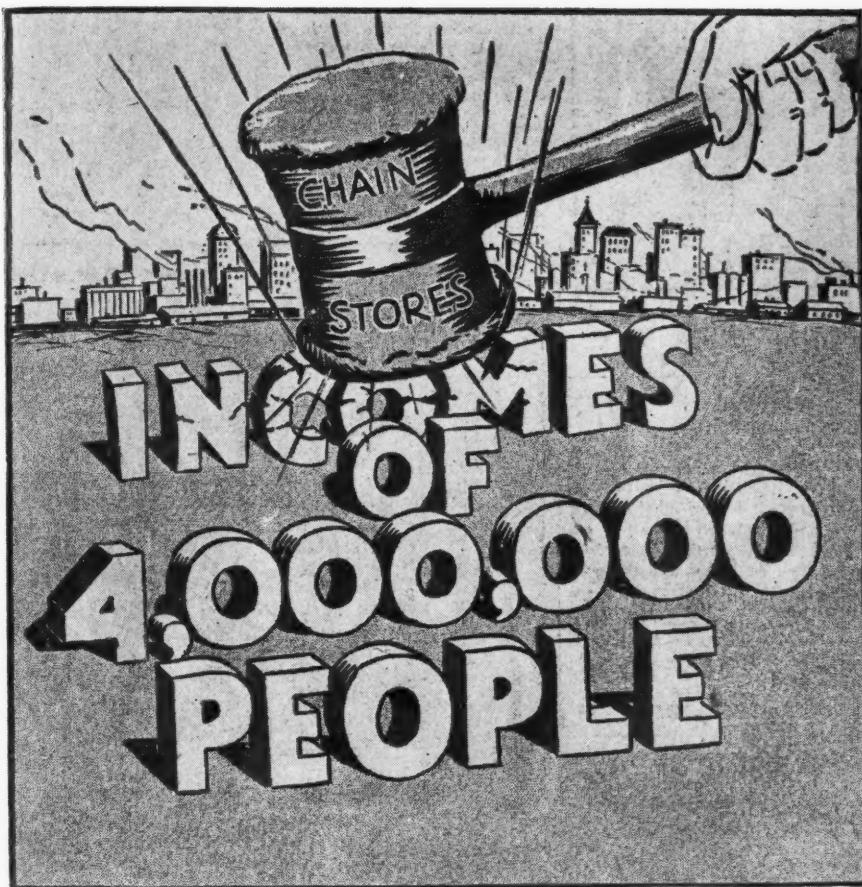
Regardless of the irresponsibility and apparent futility of some phases of the campaign, the army of opposition is growing at an amazing rate, and the fight is being waged in almost every state. As a national movement the organized opposition seems to have

tent and effectiveness of the anti-chain movement.

In the opinion of this executive, the warfare is showing a tendency to benefit the independent merchants. Recently, on the same day, he received reports of investigations by both independent and chain store interests. These reports showed that in various parts of the country the business of the independents is improving, in some communities to a marked degree, while the chain interests admitted that their trade was being harmed to some extent. And from other sources has come the information that in a large part of the country the shift of trade

BY JAMES TRUE

This cartoon captioned "Knocking Out the Jobs," from the "Omaha Journal of Progress," one of the papers being published in the interests of the anti-chain movement, is typical of the methods being used to fan the flame of public prejudice against the mass distributors. This paper's slogan is "Build Omaha Payrolls and Build Omaha."



fighting fund of \$10,000, to be used in a campaign through the newspapers and over the air, the organization is expected to accomplish something of its purpose. A large crowd is reported to have attended the initial meeting, at which the mayor severely criticized the chains for their "tax-dodging proclivities," and assured the audience that he was with them in the fight against the chains and would be the last to lay down arms.

In this case, the mayor condemned the attitude of the chains in fighting tax laws, and discussed the two unsuccessful attempts of his state to enact tax legislation to regulate chain distribution. In other sections of the country, also, the resistance of the chains to special taxes is being used against them, and an important feature of the agitation is that, coupled with the big "names" of public officials, it is rapidly breaking down the opposition of many newspapers to the publication of anything against the chain store interests. Over the greater part of the country, there is no doubt that public sentiment is reflected in the fact that the newspapers are now handling as "good copy" the news of the activities of the anti-chain organizations.

Besides a great many clippings from the news columns from daily and weekly papers, the collection of material contains many advertisements of civic organizations, cooperative asso-

ciations and individual independent merchants. Well-established associations of retailers are engaging in the campaign to a marked extent, and typical of them is the Federation of Nebraska Retailers, which lists the names of seven past presidents on its letterhead. This federation recently announced a special campaign of advertising against the chains, which is:

"Planned on a scale to reach every citizen of the state, whether in the rural community, the village, the town or city. . . . For this purpose, we shall use newspapers in every county of the state, and thus the citizens of the entire state will have the information brought to their very doorsteps."

Campaigns of the kind are quite common. For instance, the Owasso, Michigan, *Argus-Press*, of February 28, carried a full-page advertisement headed, "A Message to Every Citizen and Taxpayer in Shiawassee County." Illustrations of a large public school and a new memorial hospital were carried, and the accompanying text asked these questions:

"Do you realize the enormous drain that is continually sapping your city, or the profits alone that leave it? Do you realize the harmful results that are assuming alarming proportions by the network of Wall-Street-operated chain stores in your community?" Following, "Mr. Farmer," "Mr. Insurance Man" and seventeen other types of

business men were addressed by specific appeals, and the advertisement is signed by "The Better Business Bureau of Shiawassee County."

The advertising campaigns of many individual dealers are no less significant. As one of many illustrations, Frank Goff, of Berlin, Pennsylvania, shows "how those chain store angels undersell us." He relates that a customer told him that he was three cents higher than a chain on canned pumpkin. So he sent a boy at once to buy a can for which he paid fifteen cents, and then explained the transaction:

"The label read 'Contents 1 lb. 12 oz.' The label on our can reads, 'Fan'y Pumpkin, 2 lbs. 1 oz.' And our regular price is 18 cents. A difference of 5 ounces in our favor, and besides a better grade of pumpkin."

Although most of the advertising of the independents deals with comparative quality, service and prices, several attempts were noted that take advantage of community sentiment. Typical of these is an advertisement published by R. A. Robinson & Son, Ottawa, Kansas, which reads:

"A strong chain creamery company bought out our local creamery a few months ago. Now see what your butterfat is worth—the wonderful sum of twenty-five cents a pound for first grade. Right here in such a snow-storm, and with feed high and scarce, you will have to sell your cows very soon for about one-half price and quit. You know you are losing money every day you keep them."

"It will be the same story in the grocery business if you don't stick close and tight to your old grocery-man, who has helped you through fat and lean times."

The independent Merchants' Association, of Valdosta, Georgia, is advertising in a similar way, attempting to prove the danger of weakening profitable markets for the farmer by patronizing the chains. And there is no doubt that such appeals are having their effect, especially in towns largely supported by farmers where the chains

(Continued on page 47)



17,000 copies of "How to Work with Tools and Wood" were sold in one year to amateur woodworkers.

Stanley Uncovers a New

THERE are probably many men in my position, who have the creative instinct and are struggling to express it. As makers of fine tools, you are in an unusually good position to serve them in two ways: first, by showing them how to use tools properly; and second, by furnishing them good tools."

That thought, written by an admirer of the Stanley Works, and an amateur user of tools produced by a division of that company, the Stanley Rule and Level Plant, aptly expresses the idea behind the Stanley plan.

For many years the Stanley Works has been one of the outstanding hardware manufacturers of the world, and the Stanley Rule and Level Company had a world wide reputation as the manufacturer of quality tools. In 1920, the natural and appropriate course was followed when these two companies merged, thus adding the prestige and resources of one Stanley name to those of the other. The merger now has, in all, fifteen plants, eleven in this country, three in Canada, and one in Germany.

After the merger, the Stanley Rule and Level Plant continued to make high grade tools for the use of professional artisans. But in 1926, after a careful survey of markets, the company came to the realization that a great undeveloped field existed among amateur users of tools.

As told to A. L. White
BY F. R. GILPATRIC

*General Manager of Sales Promotion,
The Stanley Works, New Britain,
Connecticut*

In an attempt to develop this market, the company worked out a series of twenty-five plans of various household articles and some toys which could be made by amateurs. These plans were scientifically and yet simply developed by R. O. Reger, director of woodworking of the Brooklyn Technical High School. Each plan gives a good description of the tools and material needed to make the article, tells how to make all the parts, how to put them together correctly, and also how to finish the article attractively. The directions are so clearly expressed that even the most unskilled tool-user can follow them easily.

To test the practicality of the plans, one of the members of the company, who believed himself devoid of any mechanical skill, aided by a ten-year-old boy, by carefully following the instructions given in a plan, successfully turned out one of the most difficult models. The plans range in subject from a simple book rack, through varying degrees of complexity in the construction of household furnishings and toys, to a sail boat, in the making

of which considerable care and patience are required, as the boat will not sail on an even keel unless made true and in perfect balance.

The plans are printed with a strip along one side giving illustrations of Stanley tools. Whenever it is desirable, as in the case of use in manual training classes, to eliminate the advertising feature, this side strip can be cut off, leaving the plan intact.

To take these plans out of the class of mere advertising literature, a price of ten cents each was placed upon them, and they were offered for sale in hardware stores. At the same time, the company advertised these plans direct to the consumer through national magazines of wide circulation.

In quick response to the company's national advertising, letters soon began to come in. One man wrote: "This is just what I have been looking for, and as I haven't a single tool to my name, I guess I'm what you have been looking for. Therefore, to start things off, you might send me your small catalog and a complete list of your various plans."

From the very first, the plans were popular, and from far and wide the company received letters from purchasers, either telling what they had accomplished, or asking for assistance in some difficulty. From a fourteen-year-old-boy came a letter: "I thought you would be interested to know that

Most men and boys like to develop some handicraft or hobby which is an outlet for the creative instinct toward some type of artistic expression. Several years ago The Stanley Works decided to try out a plan for developing a new market for tools by encouraging amateur woodworking. Here is what happened.

I won a five dollar gold piece on a bird house made from one of your plans."

The company learned from some of these letters that many amateurs did not have sufficient knowledge of the rudiments of woodworking to carry on as far as they wanted to go. Thereupon it supplemented its plan service by using a book, "How to Work with Tools and Wood," written by a practical man who knows woodworking and the use and care of tools. This book explains in a simple, straightforward manner all the processes of working with tools and wood.

It also was offered for sale through

of the plans was not to make money by the sale of the plans and books, nevertheless from the first this plan service clearly paid for itself. But from the company's point of view, the question was whether or not the sale of the plans was helping to sell Stanley tools. The sale of Stanley plans and books was only incidental to the real purpose behind the service. By buying a plan or a book, the purchaser became a prospect for a whole list of items-tools, paints, glue, varnish, and all kinds of miscellaneous hardware. But did he actually follow-up by buying these articles?

It is always difficult to get an ac-

from the company, or with whom the company had already had correspondence.

The responses to these questionnaires were very gratifying. The company learned of such incidents as the minister who had a hobby for woodworking, and out of a meager salary was budgeting so that he could buy a Stanley tool every three months. It received such letters as this one following:

"We have quite a few of the Stanley tools; they are all good. Send us your catalogue, please. We are interested in making bird houses, and other useful articles, so please send us what-

Market Among Hobby-Riders

the hardware stores, and like the plans, met with instant and enthusiastic acceptance. One purchaser wrote: "It is one of the most concise and valuable little books that I have ever seen, and surely one of the best dollar's worth I have ever purchased. It contains exactly what I wanted to know about tools, and I was more than gratified to discover that it contained directions for building a work bench."

With this letter was enclosed the amount to cover the purchase of a plan for a work bench and two other plans.

In one year as many as 100,000 plans were sold, and approximately 17,000 books. Many of the books were placed in public libraries, and the plans were adopted by many manual training classes throughout the country, and in many cases are being used as a standard for classroom work.

While the purpose

curate or adequate check-up on any form of advertising, but in an attempt to ascertain just what effect the Plan Service had upon sales of tools, the company determined to send out questionnaires first to purchasers of plans and books who had bought direct

ever plans you have, and don't forget the catalogue."

And again: "Now have quite a complete set of Stanley tools, purchased locally. They sure work fine."

The company followed up this questionnaire with inquiries to dealers to find out what effect the handling of the sales of plans and books had had upon the sales of tools in the stores. The responses from the dealers were as encouraging as those from purchasers. A Boston firm wrote: "We used the idea to promote tool sales by showing the public what it could make from Stanley plans and found that it created interest in all tools displayed. We sold two complete outfits of wood-turning lathes and several Stanley tools from the displays. During the period that we had the book and the plans in the window, all our tool sales increased."

A hardware dealer
(Cont. on page 39)





Coca-Cola posters will appear this summer on 12,000 boards in more than 5,000 towns.

Advertising Costs Per Gallon Drop as Coca-Cola Appropriation Soars

BY LAWRENCE M. HUGHES

THE Coca-Cola Company, Atlanta, will spend about \$4,400,000 in advertising this year—an increase of 22.3 per cent over 1929.

Although this is the largest appropriation, by more than three-fourths of a million dollars, in the forty-four years' history of the company, in proportion to the amount of sales it will help to produce, it will probably be the smallest.

Coca-Cola started advertising when eight years old, in 1892. The first year's expenditure was \$11,401.78. It proved to be an important factor in increasing sales from 19,831 to 35,360 gallons in that year. The cost of the advertising per gallon was 32.2 cents.

Last year with an expenditure of \$3,581,537.72, Coca-Cola sold 26,981,874 gallons. In other words, while the advertising appropriation was increasing 300 times, sales went up about 800 times. In thirty-seven years the advertising cost per gallon has been reduced from 32.2 to 13.2 cents.

The company does not predict sales volumes in advance. With its present appropriation of \$4,400,000, however, it is generally believed Coca-Cola's sales this year will approach 33,000,000 gallons. It is quite as probable that in spite of the marked advertising increase this year, the largest in

dollars since the War, the cost per gallon will continue to go down.

Coca-Cola has become an outstanding example of the fact that the more advertising a company does—provided, of course, the product is one for which a general demand can be developed, and that its methods of manufacture and distribution are sound—the less it costs.

Consistent advertising has made Coca-Cola the largest selling beverage in the United States, and the most widely distributed beverage in the world. It is the only five-cent soft drink which has been successful on a wide scale over a long period of years. Yet in spite of the fact that it has no direct competition in the five-cent beverage class and that it has virtually 100 per cent distribution at the 105,000 soda fountains in the United States, the company is continuing to advertise on an increasing intensive scale.

The company realizes that nearly complete distribution does not imply saturation in its market. There are still millions of people who do not drink Coca-Cola. Advertising must not only sell these, but must reiterate the slogan "Delicious and refreshing" to those who already know it.

The best indication of the success of the advertising is to be found not in its reduced cost per gallon, nor in the consistent increase in the com-

pany's volume, but in profits. In his recent annual report, R. W. Woodruff, president, pointed out that sales (all to bottlers) last year totaled \$39,260,813. On this volume the company realized net profits of \$12,758,276, or about one-third.

This sales figure in turn represents only about one-fourth of the aggregate sales of Coca-Cola at retail. Although this figure has not been published, it is known that the company now sells 9,000,000 glasses, usually at five cents a glass, each day. Multiply 9,000,000 by five cents; multiply it again by 365, and the aggregate annual volume in Coca-Cola at retail, amounts to \$164,250,000—probably the greatest volume for any five or ten-cent product in the world.

In the last seven years the per capita consumption in the United States has increased from eighteen to twenty-seven bottles and glasses. In the last three years export sales increased 32 per cent, and sales in Canada since 1925, 33 per cent. Since 1926 its distribution has been extended from thirty to seventy-six countries. It has seven syrup factories in the United States, four in Canada and two in Cuba; thirty-eight warehouses, 2,200 jobbers, 1,300 bottlers, 105,000 fountain retailers, 600,000 bottle retailers, 150 United States sales territories, twenty district headquarters, and five regional offices.

Because of its complete distribution in the United States, Coca-Cola, about

eighteen months ago, converted its entire sales into a service force. The reason for this was that although virtually all fountain outlets already carried Coca-Cola, not a very large proportion of them were dispensing it according to the company's own standards. The entire field personnel has since taken an intensive course in the theory and practical application of carbonation, refrigeration and merchandising at the soda fountain.

"Because of this universal distribution," explained Turner Jones, vice-president, "Coca-Cola recognizes the fact that increased sales of our product must necessarily come from the creation of an increased demand on the part of the public. It also recognizes the fact that this demand is influenced, far more than most of us realize, by the temperature, carbonation and appetizing appearance of the beverage served across the fountains.

"The Coca-Cola serviceman is not a repairman. He does, however, stand ready to help the retailer locate unsuspected troubles in the cooler boxes; go with him into the basement to correct carbonator difficulties; and give him worthwhile ideas on merchandising at the fountain."

Employs All Media

Coca-Cola employs virtually all major media—newspapers, magazines, posters, window and counter displays, electric signs and others. The most significant changes in the 1930 program, Mr. Jones said, are an increase of \$230,000 in outdoor advertising; \$225,000 in dealer helps and \$500,000 in radio.

The company inaugurated last month its first nation-wide broadcast through forty-six stations of the National Broadcasting Company. The programs are running for half an hour every Wednesday night, and are being conducted by Graham McNamee, radio announcer, and Grantland Rice, sports writer. With a background of a thirty-one-piece orchestra, prominent athletic stars are appearing weekly. Bobby Jones, was first.

The radio program is being promoted in the newspaper advertising and through incidental media. Three million "tickets" admitting listeners to the "best seat in the front row of any section, in your own home" were distributed to the 1,300 Coca-Cola bottlers, and 2,000,000 folders were given bottlers for house to house distribution.

Four hundred thousand radiograms were also given their bottlers for retail dealers' windows, and 130,000 of these radiograms were sent direct to soda fountain dealers.

"A third rather radical departure," Mr. Jones said, "is what we call our Cooperative Dealer Help Plan. For many years Coca-Cola bottlers have been allowed five cents' worth of advertising material for every gallon of Coca-Cola which was shipped to them. They built up a credit account for advertising material and ordered from a large list from which they could select. This includes metal signs, lithography, novelties, etc. Of course a large number of bottlers use more material than the allowance. For this surplus material they pay cash. The new cooperative plan provides that any bottler who purchases for cash Coca-Cola dealer help advertising, the

value of which is equivalent to his full 1929 allowance, will receive from the Coca-Cola Company, free of cost, additional Coca-Cola dealer help advertising totaling in value the full equivalent of his 1929 allowance."

Coca-Cola posters will appear this summer on 12,000 boards in more than 5,000 towns.

Magazines and newspapers are being employed on as wide a scale as before.

To advertisers who are talking and acting in terms of retrenchment, Coca-Cola, in adding three-quarters of a million to an appropriation which was already one of the largest, has a worthwhile "results" story to tell.

The Story the Coca Cola Figures Tell

Year	Gallons	Advertising	Advertising Per Gallon
1886	25	.....	...
1887	1,049	.....	...
1888	1,933	.....	...
1889	2,171	.....	...
1890	8,855	.....	...
1891	19,831	.....	...
1892	35,360	\$11,401.78	32.2 cents
1893	48,427	12,395.12	25.6
1894	64,333	14,538.14	22.6
1895	76,244	17,744.22	23.3
1896	117,636	23,117.58	19.7
1897	163,297	52,405.18	32.1
1898	214,008	43,857.62	20.5
1899	281,055	48,564.83	17.3
1900	370,877	84,507.97	22.8
1901	468,411	100,276.01	21.4
1902	677,515	149,628.79	22.1
1903	881,423	200,941.40	22.7
1904	1,133,788	280,985.12	24.8
1905	1,549,886	356,552.07	23.0
1906	2,107,661	486,553.47	23.1
1907	2,558,782	550,775.12	21.5
1908	2,877,732	624,077.70	21.7
1909	3,486,626	675,048.59	19.4
1910	4,190,149	853,329.13	20.3
1911	4,815,677	978,329.30	20.3
1912	5,504,956	1,182,257.29	21.5
1913	6,767,822	1,186,210.39	17.5
1914	7,231,562	1,288,473.06	17.8
1915	7,521,833	1,301,281.95	17.4
1916	9,715,892	1,441,507.83	14.9
1917	12,109,420	1,419,605.95	11.7
1918	10,314,727	756,827.58	7.3
1919	18,730,167	1,666,290.87	8.9
1920	18,656,445	2,330,710.40	12.5
1921	15,837,499	1,790,091.57	11.3
1922	15,437,612	1,948,773.33	12.6
1923	17,300,275	2,616,874.24	15.1
1924	17,496,764	2,326,477.33	13.3
1925	20,111,134	2,625,186.42	13.1
1926	21,158,450	2,997,990.73	14.2
1927	22,817,265	3,478,522.02	15.2
1928	24,212,519	3,455,373.86	14.3
1929	26,981,874	3,581,937.72	13.2

At the beginning of the current year the Oshkosh Overall Company began selling exclusively by mail in place of selling through salesmen. While the executive directing sales for this company is frank in his warning that this policy would have in it a large amount of dynamite for most manufacturers, readers will find his comments on the results of the plan thus far interesting.

WOULD you be willing to send us your orders by mail, making it unnecessary for us to send salesmen to call, if we were to give you the salesman's commission and, in addition, allow full freight on orders of five dozen or more?"

We asked our dealers that question late in 1929. Enthusiastic replies by the hundred came back, an overwhelming percentage of them being to the effect that, while they had no desire to eliminate salesmen as a general thing, they were heartily in favor of doing so in this case, as the line is

The Plymouth Clothing Company of Fort Dodge, Iowa, entered this display in an Oshkosh window contest.



A very low price

\$11.69

for a very good overall

OSHKOSH
B'GOSH

Dealer's name

A dealer advertisement

Oshkosh Ten-Strike Selling

staple, there is no style element involved, they had been accustomed to place many of their orders by mail anyway, they were quite capable of sizing up their own stock when necessary, and the special discount would place them in a more competitive position with chain stores which are making a big drive for the trade of overall wearers by selling overalls at cost.

This coincided with our own opinion on the subject and on January 1, 1930, we introduced nationally our new sales policy of selling without the aid of salesmen.

It is too early yet to speak of permanent results. But since it is in results that everyone is most interested, we will say this much:

In spite of existing general conditions, which admittedly are not entirely favorable, our sales volume during the two months since the plan became effective has been the largest in our history, and we are confident that the new policy is meeting with the whole-hearted support of 98 per cent of our worth-while dealers.

We anticipated that we would lose some poorly rated accounts and a relatively large number of small dealers whom salesmen could "high pressure"

into buying a few dozen garments a year, but this is unprofitable business which an intelligent policy of selective selling would eliminate anyway, and it is more than compensated for by the increased volume secured from larger and better accounts.

That this is proving to be the case is indicated by the fact that, while our total sales volume has shown a substantial increase, the number of orders shipped has declined somewhat, as compared with the corresponding period of 1929.

This clearly indicates that we are selling more goods to fewer dealers and that these better dealers who are taking full advantage of the plan are selling more Oshkosh B'Gosh overalls than ever before, because they are voluntarily ordering in larger quantities.

We do not advocate the elimination of salesmen generally. Salesmen must be employed to sell the vast majority of products, including many staples. Overalls possess no style element. There are no spring and fall lines to be shown. Whether it's March or September, men are buying overalls. If the stock is low, it is indeed poor business for the dealer to hold up his order until a salesman gets around to



Makes a without Salesmen

call on him. In other words, overalls require little selling effort after the line has become established. If we were a new overall company it would be absolutely impossible for us to pursue successfully the plan which we have adopted. It is feasible for us now, because of certain conditions which obtain in the industry and because of the reputation which we have won as a result of producing only merchandise of uniformly high quality and following a policy of extensive and consistent consumer advertising.

The evolution of the plan began ten or fifteen years ago, for that was when we began to advocate certain merchandising practices, support of which led by logical steps to eventual adoption of some such plan as this.

The term, "loss leader" is doubtless familiar to a majority of readers of this magazine. Progressive merchants have long realized that it pays to feature some articles as leaders, pricing them at or near cost, for the purpose of bringing people into the store and establishing a value-giving reputation. Bargain sales and short-time specials jerk the volume up for a few days, only to be followed by a slump. A real "leader" must be sold at the same

low price all year and, to serve the purpose best, it must meet the following requirements:

It must be a necessity to a majority of one's customers;

It must be an article of which customers, both men and women, can judge the relative value as compared with competitive goods;

It must possess little or no style element and should not vary from year to year in appearance, material quality, or design;

It must be a self-advertising article worn where it can be seen by others, as well as judged by the wearer;

It must be bought with sufficient frequency to be "live" in the customer's mind at all times.

Overalls meet all these requirements and in the clothing line are the ideal leader. Chain store operators realized this from the very first and have taken full advantage of it. They sold overalls of medium quality at a price which the independent merchant could not hope to meet.

The independent retailer who tries to beat the chains at their own game of selling second-quality merchandise at low prices is beaten before he starts. He must feature quality lines which

BY C. E. WITTMACK

Vice-President, Oshkosh Overall Company
Oshkosh, Wisconsin

are known, which have consumer acceptance, and which will bring people to his store. His chance for success lies with the quality-buying element, for the price buyers will automatically gravitate to the chain stores. Nothing can stop that.

At the same time, he cannot afford to let the overall-wearing trade drift away and form the habit of trading at the chain store. He too, must establish a reputation for value-giving. While he must feature quality rather than price, he must, above all, feature values, and he must follow proved methods of successful merchandising. Overall wearers can distinguish quality and they are willing to pay more to get it, but they are not willing to pay twice as much.

Distributing nothing but quality overalls through some 10,000 retail outlets, we quickly sensed this condition and its inevitable trend, and we

(Continued on page 44)



C. E. Wittmack

The Smaller Advertiser Fifteen Years Ago—And Now

BY WALTER MANN

THIS is the third and last of a series of articles on the growth of advertising in the past seventeen years, taken from the preface of the Crowell Publishing Company's annual volume, "National Markets and National Advertising." This article discusses the growth of the smaller advertiser as compared with that of the seventy-five ranking advertisers, as shown in last week's issue. We quote directly from this preface:

"As a contrast with these groups of leading advertisers let us see what has happened over the same period of time to those who did not rank among or anywhere near the seventy-five lead-

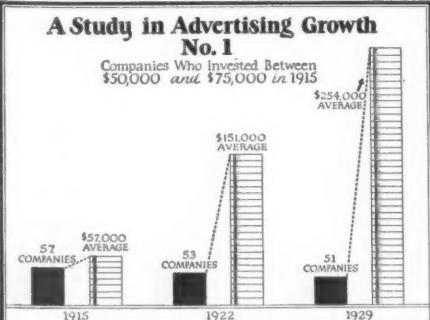
"Third, what has been their history as to continuity? Have they stayed continuously in the national advertising field, year by year, or have they been 'in-and-outers', hitting one year and missing the next?

"All these factors are presented in the accompanying charts. It seemed worth while to make the test somewhat broader than just the one class, those spending less than \$25,000 at the beginning of the seventeen-year period. So we take as a second group those who in 1915 spent between \$25,000 and \$50,000. Lastly, we took those spending between \$50,000 and \$75,000.

"First we will take the smallest group numerically, those who invested between \$50,000 and \$75,000 in 1915. There were fifty-six of these companies, spending a total of \$3,235,538 in national advertising and averaging \$57,777.

"Seven years later, in 1922, fifty-three of these companies still remained in national advertising. Their total expenditure had increased from approximately \$3,000,000 to \$8,000,000, while the average investment had nearly trebled—from the \$57,777 of 1915 to \$151,381 in 1922.

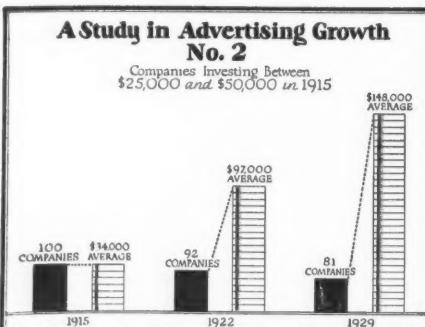
"Last year (1929) only two others had left the roll call. Fifty-one of the original fifty-six companies were still



ers in 1915—or for many years thereafter. For this purpose we have taken three distinct groups: those investing between \$50,000 and \$75,000; between \$25,000 and \$50,000; and under \$25,000. First, we have taken for the year 1915 all of those companies which spent less than \$25,000 and have followed them year by year up to the present time.

"We have several different things in view: First, we wish to find out to what extent these very modest beginners of fifteen years ago have continued and have grown, and have stayed not only in business but in national advertising. How many, in other words, of those present in the 1915 list of national advertisers are still present in the 1929 list?

"Second, we wish to know what has been the history of their expenditures, i.e., to what extent they had increased; had they increased less than the general run of advertisers, about the same or noticeably more?

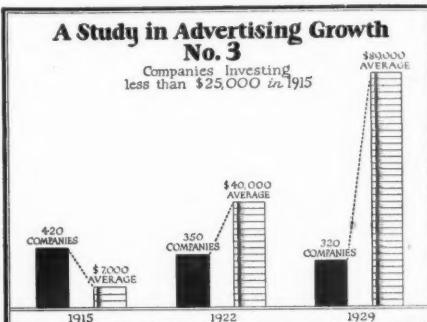


on hand and their total expenditure had grown to just short of \$13,000,000, an increase of 301.6 per cent since 1915 (or 20.1 per cent growth for each of the past fifteen years). Even more striking is the story of their average investments. In 1915 it was just over \$50,000 (\$57,777). In

1929 it had grown to over a quarter of a million dollars per company.

"The group showing the next largest expenditure for 1915 provides equally striking illustrations of the tremendous success with which even very modest and small advertisers can go on to notable success with a good product, effective advertising and a consistent advertising policy.

"The first year of this fifteen-year



year period which we are considering showed exactly one hundred companies spending between \$25,000 and \$50,000. If we think of them as \$50,000 advertisers, however, we greatly exaggerate their investments. While \$50,000 was their upper limit their actual average was \$34,337. In the eighth year of this same period (1922) there were ninety-two such advertisers. (In numbers the group had lost exactly 1 per cent per year.) These ninety-two companies had boosted the expenditures of the group from less than three and a half million dollars to almost exactly nine million dollars, and the average of the entire ninety-two was but slightly under a hundred thousand dollars. Seven years more (1929) and we still have 81 per cent of this original group—eighty-one companies, in short—with an investment of \$148,075, 400 per cent of what it had been in 1915, spending a total of just under twelve million dollars (\$11,994,102).

"Last of all the largest group, numerically, started with the smallest individual expenditures. There were 420 of these companies in 1915 spending less than \$25,000 per year in national magazine advertising, their average being but \$7,883. The total spent by these 420 companies in 1915 was almost exactly the same as the



Your customer talks over the fence to us

SOMEWHERE in New York State there's a chap whom you'd give a lot to meet. He may be a prospect. Whoever he is, wherever he is, you are fairly safe in assuming that he is personally acquainted with one of the Marine Midland's two hundred executives. And through these banks you can meet him on a friendly, personal basis.

When you deposit a part of your company's funds in a Marine Midland bank you pave the way for a personal acquaintanceship with the men-that-count through ninety per cent of New York State's leading trading area. Our officers can, if you choose, help tremendously in making the New York State market a most profitable one this year and next year. A meeting of your executives and ours might develop some interesting possibilities for co-operation.

What the Marine Midland Group is

The Marine Midland comprises a group of 18 banks which have joined together for greater strength and for greater service to their 360,000 customers. The ownership of each of these 18 banks is controlled by Marine Midland Corporation which is a holding company, *not* an investment trust. Association with these banks enables each bank to draw upon the experience and resources of one of the strongest financial groups in America.

BANKS OF THE MARINE MIDLAND GROUP

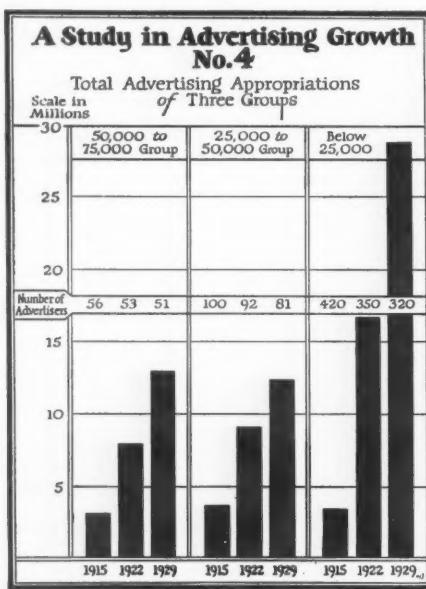
Combined Resources over \$550,000,000

*These New York State Banks now offer
advantages of Marine Midland
Membership:*

BUFFALO.....Marine Trust Company
NEW YORK CITY.....Fidelity Trust Co.
ROCHESTER....Union Trust Company of Rochester
TROY.....Manufacturers National Bank of Troy

NIAGARA FALLS.....Power City Bank
NIAGARA FALLS....Niagara Falls Trust Company
NIAGARA FALLS.....Bank of La Salle
BINGHAMTON.....Peoples Trust Company
TONAWANDA.....First Trust Company
LOCKPORT.Niagara County National Bank & Trust Co.
NORTH TONAWANDA.....State Trust Company

JOHNSON CITY.....Workers Trust Company
LACKAWANNA.....Lackawanna National Bank
JAMESTOWN.....Union Trust Company
EAST AURORA.....Bank of East Aurora
CORTLAND.....Cortland Trust Company
ALBION.....Orleans County Trust Company
SNYDER.....Bank of Snyder



total spent by the hundred companies just mentioned. Again, it was almost exactly the same as the amount invested by the fifty-six companies who started with an average of \$57,777. All three groups started with approximately \$3,000,000. This particular group of 420 companies, spending just \$3,311,116 in 1915, had soared to \$16,854,956 in the next seven years.

"Of the 420 companies which constituted this group in 1915, less than 15 per cent had discontinued in 1922, and, as they were spending nearly seventeen million dollars, their average was \$48,157 instead of the \$7,883 with which they had started. In the next seven years another tremendous increase in both their total expenditure and their average expenditure was accompanied by an even smaller decrease in the number of participants. The 350 companies that were still in the roll-call in 1922 had lost less than 9 per cent of their number in 1929. So we have in this fifteenth year of the period more than three out of every four of the companies that were present in 1915 (to be exact, 320 out of 420). Moreover, it should be remembered that style articles of temporary popularity represented a large percentage of the defections. In spite of the fact that this group is but three-quarters of its original size, it invested in 1929 nearly nine times as much in magazine advertising (\$28,623,338 instead of \$3,311,116) as it had spent in 1915. Had automobile productions increased at a proportionate rate between 1915 and 1929 there would have been eight million cars produced in 1929 instead of substantially less than five million. Had the same rate applied to the growth of home electrification there would have been thirty-seven million wired homes in 1929 instead of the 19,012,664 that

we actually had. Still again, had bank deposits grown with the same speed that has characterized the growth of this group of national advertisers, 1929 would have shown one hundred and seventy billions instead of less than sixty billions, as was the case.

"At the same time, the average investment of this group had increased well over 1,000 per cent—from the extremely modest expenditure of \$7,883 in 1915 to \$89,447 in 1929.

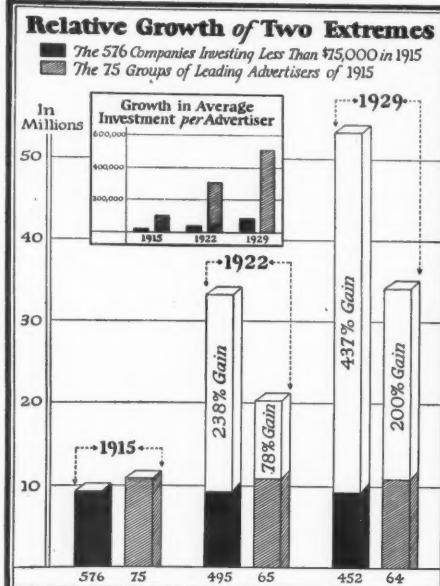
"Some comparisons between these groups of smaller advertisers (smaller, that is, in 1915; there are million dollar advertisers amongst them in 1929 and scores of half and quarter million investors) are of interest. Ninety-one per cent of the first group we have just been discussing (those investing \$50,000 to \$75,000 in 1915) were still in national advertising.

to see how close to that consistency of the seventy-five ranking advertisers come the members of this other group of small beginners. Many of them were not thoroughly established nor entrenched in 1915. The entire group of five hundred and seventy-six companies (all of those, in other words, spending less than \$75,000 that year) averaged barely \$19,000. During the seven years from 1915 to 1922 in which the seventy-five ranking advertisers were increasing their total expenditure from \$11,500,000 to \$20,500,000 (about 78 per cent increase) this group of five hundred and seventy-six companies increased their total expenditure from less than \$10,000,000 to nearly \$34,000,000 (242 per cent increase).

"During this same period the average expenditure of the seventy-five ranking advertisers had grown from \$153,937 to \$321,870—slightly more than double, in other words. During this same time the average expenditure of these small advertisers had increased from \$17,327 to \$66,305 (almost quadrupling their earlier expenditure). Still further the membership of this group of smaller beginners had shown a remarkable steadiness. Out of its original five hundred and seventy-six members it still retained just under five hundred in 1922. In other words, while its total expenditure had increased by 242 per cent, its membership had decreased by less than 15 per cent.

"To finish the comparison, in 1929, sixty-four of the seventy-five ranking advertisers were still in national advertising. The average had increased to \$570,118 and their total expenditure in that year amounted to \$34,777,000. Put in percentage terms, this means that their number had decreased by 14 per cent while their average

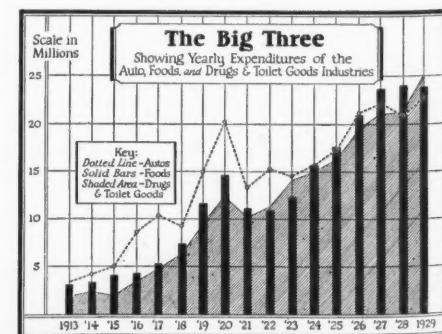
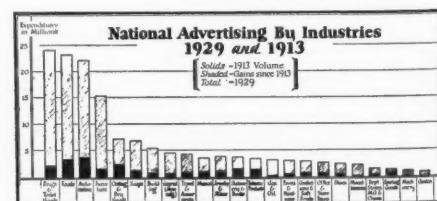
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ing fifteen years later; 81 per cent of the hundred companies in the middle group (investing between \$25,000 and \$50,000), and over 75 per cent of those more modest beginners all of whom had been spending less than \$25,000.

"So far we have emphasized two main types of advertisers; the leaders, as represented by the seventy-five rankers, and, in contrast, these relatively small advertisers of 1915. A particularly illuminating picture is shown when we compare advertising consistency and virility of these two groups.

"The seventy-five ranking advertisers of 1915 were companies fully entrenched financially and with well-established advertising policies. It is no surprise to find them consistent and successful as we follow them through the succeeding seventeen years. It is a matter of a great deal of moment



Still Another Cooperative Idea Rings the Bell

BY FORREST B. MAKECHNIE

*Sales and Advertising Manager, New England
Independents*

Nine New England ice cream and milk distributors are pooling interests in cooperative merchandising and advertising — a plan which is unique among other "mutual" schemes, in that each man's money is spent entirely for his own benefit.

THE "agency plan," a method of cooperative selling which already shows promise in its infancy, has been inaugurated by nine New England ice cream and milk distributors. These distributors, wishing to combat the merger movement and at the same time to preserve their individuality, entered into an agreement about a year ago to engage in cooperative advertising and merchandising:

Pittsfield Milk Exchange, Inc., Pittsfield, Massachusetts; Smith & Fyfe, Inc., Worcester, Massachusetts; Millbrook Dairy Company, Middletown, Connecticut; F. H. Cushman Ice Cream Company, Taunton, Massachusetts; Haines-CeBrook, Inc., Lynn, Massachusetts; Kelley Ice Cream Company, Providence, Rhode Island; Producers' Dairy Company, Brockton, Massachusetts; H. L. Neuman Company, York, Pennsylvania.

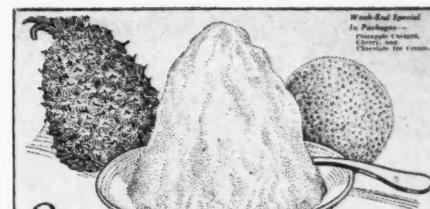
Fundamentally, the "plan" is simply an executive service organization working exclusively for the individual manufacturer's interests in his own district, but under standard methods of merchandising. Under the cooperative arrangement, the nine companies maintain a central merchandising and advertising office, and while each operates under an advertising budget in keeping with its size and financial ability, each profits by the group activity. Each subscriber selects the territory normally his, and adds

*News paper
and window
display play
their part in
the ice cream
manufac-
turer's budget*

adjacent areas for development. Overlapping of territory between two members of the group is taboo, except as agreed upon. The plan is distinguished from the association advertising idea in that the fund contributed by each individual distributor is spent solely in his district, and therefore, solely for his benefit.

The "agency plan" aims at cooperative buying of general supplies, and the improvement of production methods and reduction of costs. However, because of its infancy the merchandising and advertising aim of the "plan" has been stressed rather than the production end. But it is entirely practical for a group of independents to pool their orders for supplies through the central office, thus gaining a buying power which more nearly approximates that of the big merger of association.

One of the instances of the efficacy of cooperative effort is found in a letter received by the central advertising and merchandising office at Boston, only a few short months after its establishment. "Our sales for the Christmas season, everything included



WEEK-END SPECIAL
In Parfait, Pineapple-Cream, Chocolate Ice Cream.

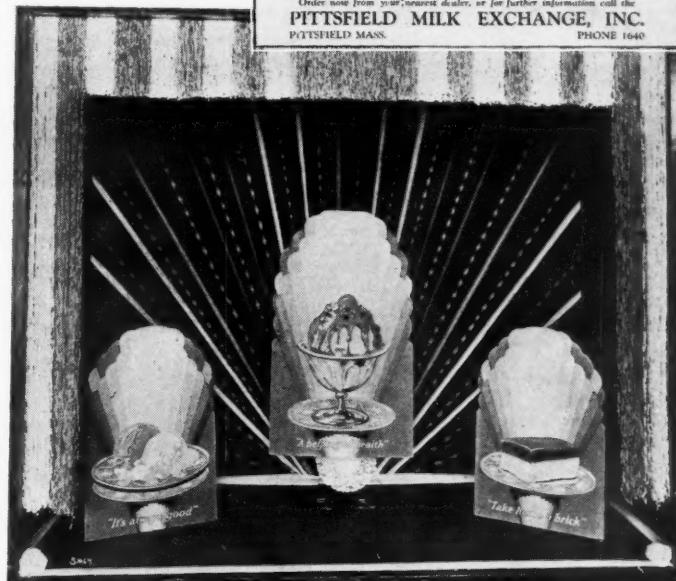
Sunshine

Is vital to the human family. We would get lots of it by exposure of the body to the sun's rays—and lots more of it by eating foods which the sun has blessed with its vitality. Ice Cream is a natural sunshine food. The food of the dairy cow is exposed to months of sunlight and we benefit through her milk and cream. And so Ice Cream is as vital as sunshine itself. Plenty of it will help build bone and teeth, muscle and tissue and will aid in keeping the body strong and vigorous.

MILK EXCHANGE
"A Real Home Product"

ICE CREAM

Order now from your nearest dealer, or for further information call the
PITTSFIELD MILK EXCHANGE, INC.
PITTSFIELD MASS. PHONE 1640



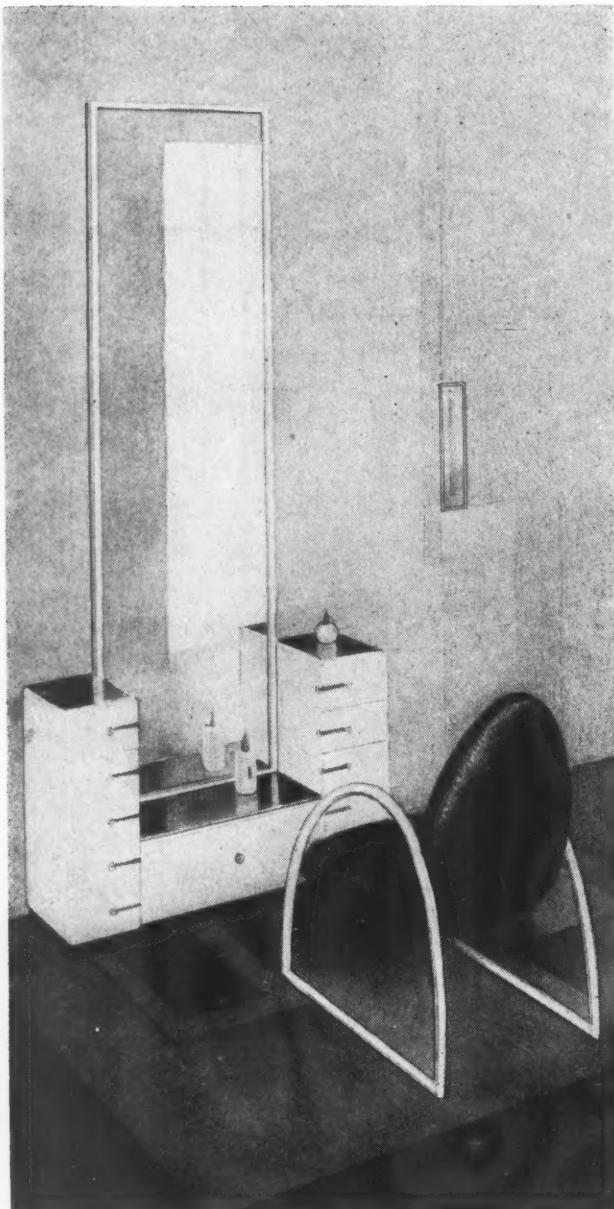
(brick, bulk, 'cakes' and fancy forms), showed a gain of 100 per cent over any previous Christmas sale. For St. Valentine's, we sold over 200 gallons of 'Heart Center' mold brick, and our dealers also disposed of 105 gallons of 'Hatchet Center' mold brick for Washington's Birthday. We continued our new and faster sales-stride through the Easter and Mother's Day periods—in fact, right through the season up to date, and have enjoyed an abnormally healthy gain each month over the corresponding month a year ago. The total gain is therefore, substantial. The betterment in morale is noticeable. The boys are very willing to put forth extra efforts to make good," wrote James G. Fyfe, president of Smith & Fyfe, Inc.

In formulating their cooperative advertising plan, the milk and ice cream distributors considered first the variances in their individual businesses. Subscribers to the plan varied in sales volume by thousands of gallons.

With this fact in mind, the first step taken was a simple analysis of each business and its problems. An advertising budget and appropriation

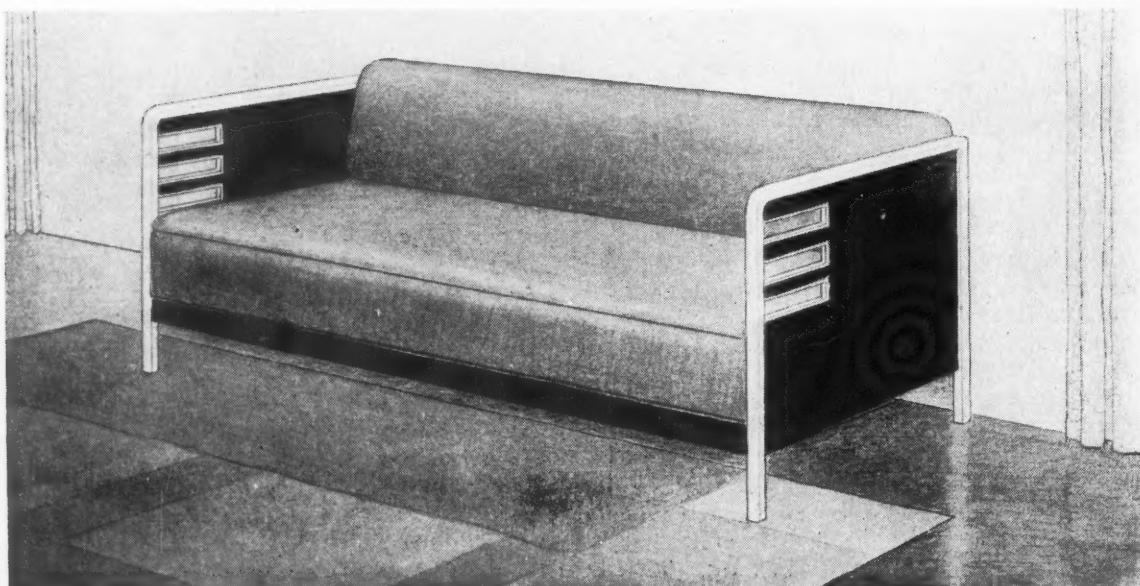
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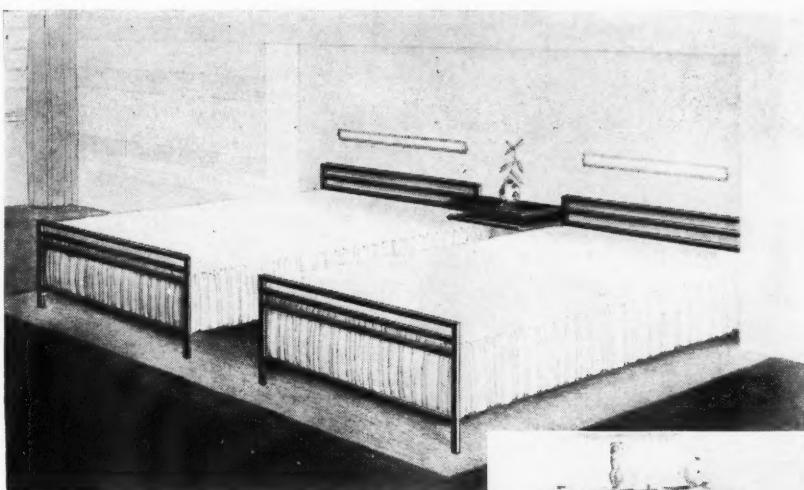
Sales Management Gallery



Long mirrors are peculiarly adapted to small apartments. This simple dressing table is of Viridian green lacquered steel and chromium plate, with matching chair upholstered in green chenille.

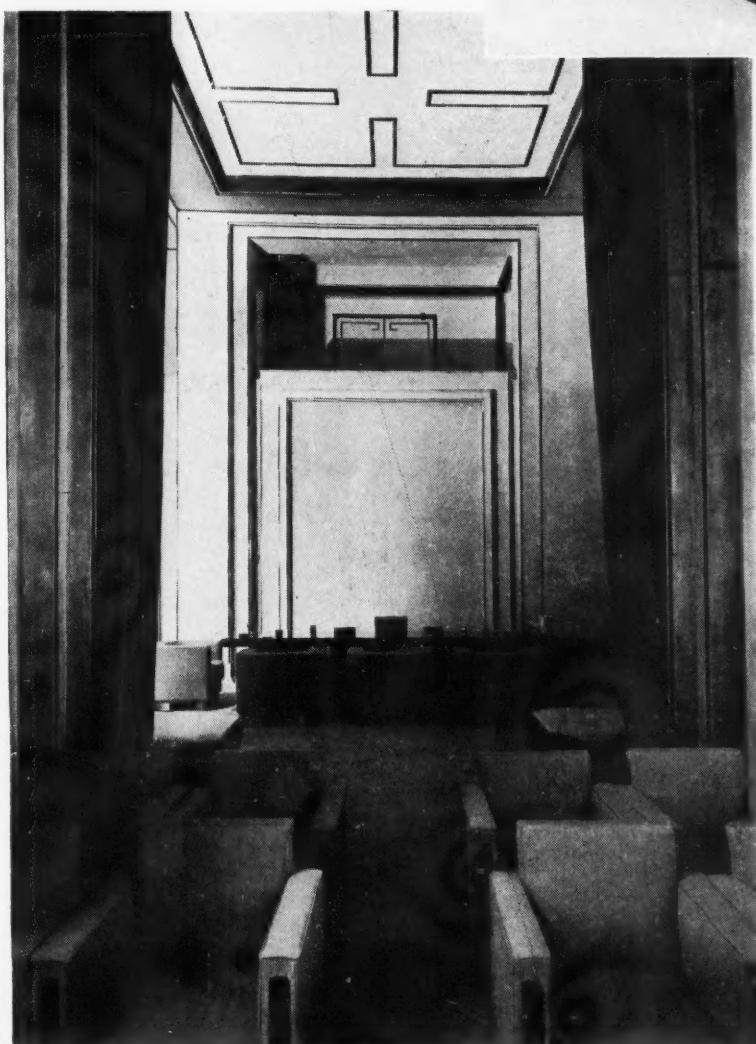
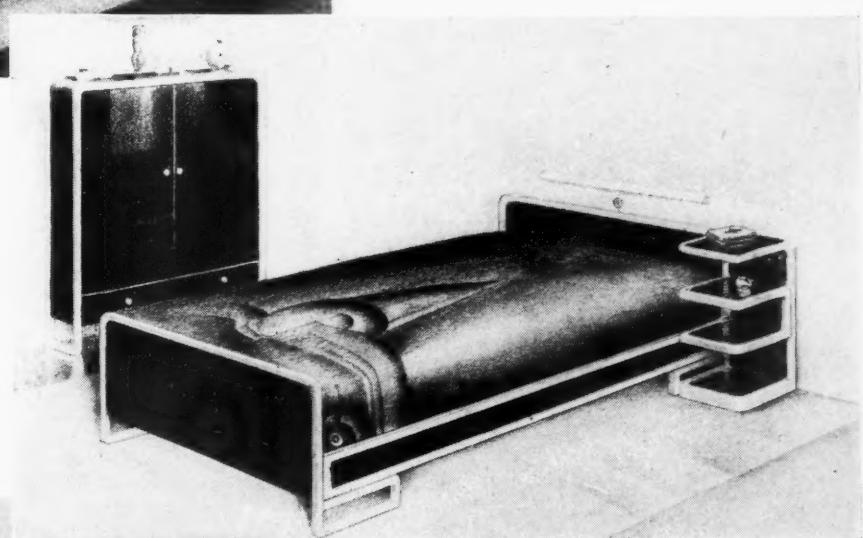
Metal has been used effectively on this day bed, of black lacquered steel and chromium trimmings, upholstered in the popular blue-green chenille





Simplicity is the keynote of these twin beds, of steel, lacquered in black and canary yellow, following the modern trend of dark background and light trimming color for bedrooms.

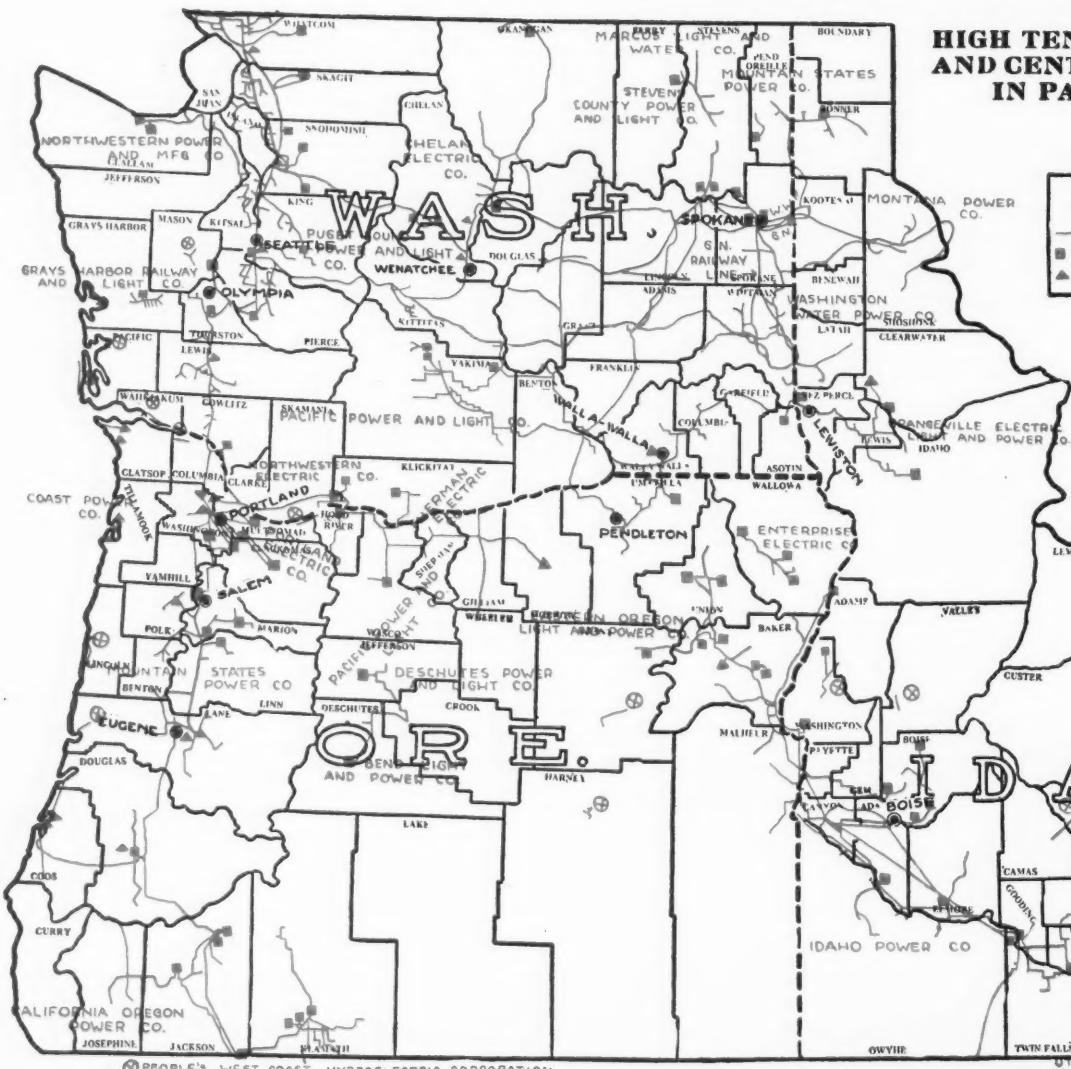
All metal, this suite of black lacquered steel, trimmed simply in chromium plate, provides a modern setting for the bedroom.



Never in the history of merchandising has greater interest been centered in product design than at the present time. Furniture is just one field in which manufacturers are seeking something that is both new and authentic in design, to stimulate greater interest among consumers for a slow-moving line. Designs on these pages are by Norman Bel Geddes, and, excluding the reception room, were prepared for the Simmons Company.

A dignified and formal reception room, designed for the J. Walter Thompson Company, New York City.

The Mighty Force of Harnesses Over One-Tenth of Entire North



HIGH TENSION ELECTRIC LINES
AND CENTRAL POWER STATIONS
IN PACIFIC NORTHWEST

-LEGEND-

- TRANSMISSION LINES
- HYDROELECTRIC POWER PLANTS
- ▲ STEAMELECTRIC POWER PLANTS

Number of Farms Served by Lines
Shown on Map

WASHINGTON	34,443
IDAHO	11,035
OREGON	11,428
	56,906

As of Jan. 1, 1929. Extensions of lines are being rapidly made throughout the three states and scores of additional farms are being electrified each month.

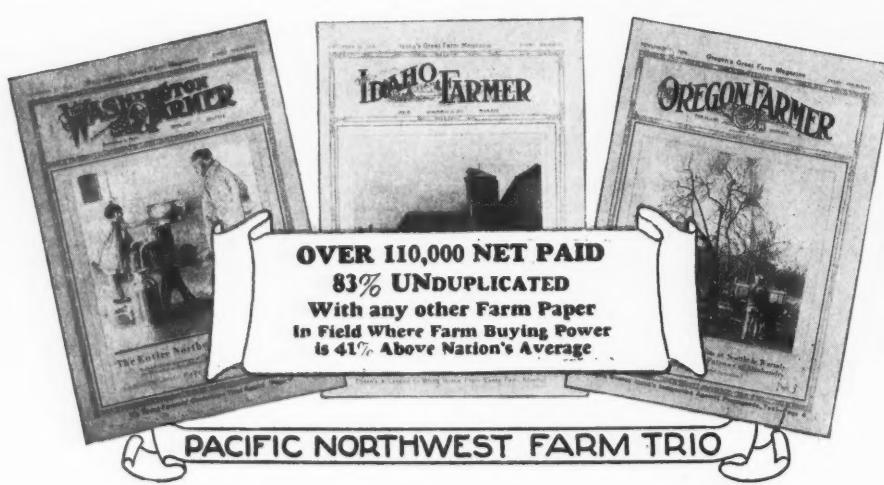
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COWLES PUBLICATIONS

Advertise in the Spokane Dailies and the Farm Trio and Win an Urban and



Oroville (Wash.) Power Station - 4,300 hp.

Thoroughly Cover This H
ONE ORDER, ONE R

THE PACIFIC NOR
THE WASHINGTON FARMER THE IDA
EST

Reach 7 out of every 10 Farmers
General Offices: Spokane, Wash.
Advertising Representatives: Associated Pub
litioners: San Francisco, Calif.

Water Gives Pacific Northwest Non's Electrified Farms

Among all the states in the Union, Washington stands first in water power resources, Oregon third, Idaho fourth.

POTENTIAL HORSE POWER

WASHINGTON	8,647,000 H. P.
OREGON	6,613,000 H. P.
IDAHO	5,067,000 H. P.
TOTAL	20,327,000 H. P.

This is 37.6% of the 54,000,000 potential horse power of the entire United States.

Swiftly this great resource is being developed. Huge dams, rising to dizzy heights, span deep valleys and impound in vast reservoirs the feed of the great turbines. Under roaring falls engineers drive tunnels upward and secure the tremendous power of a fall of hundreds of feet. Spreading webs of copper carry the power harnessed to the homes and industries of an empire.

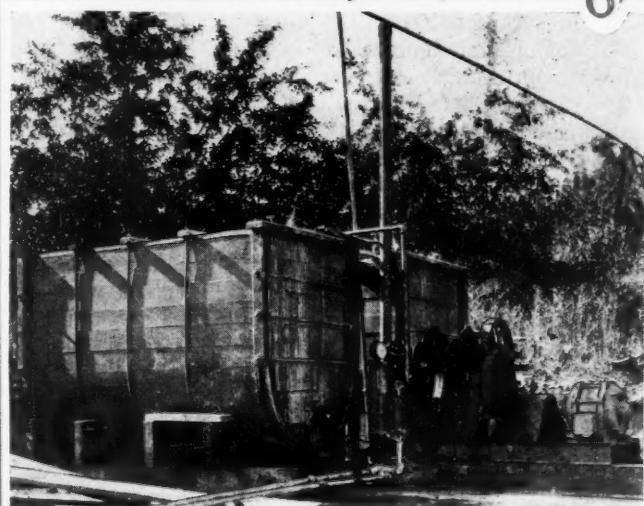
The prosperous farms of the Pacific Northwest, with incomes 1% larger than the U. S. farm average, are embraced in the far-
ing development. On January 1, 1929, Washington, Idaho and Oregon had 56,906 farms receiving central station electric current or over one-tenth of the nation's farms with high power line service. Thousands of additional farms in this section are added each year to those receiving high line service, creating a big, expanding farm market for electrical equipment.

Returns from 854 dirt farmers who answered the Farm Trio's 1930 questionnaire indicate a farm demand in the Pacific Northwest in 1930 for 4,179 electric refrigerators, 5,174 electric ranges, 19,502 washing machines (all types), 3,781 vacuum sweepers, 8,955 electric motors and 11,144 electric appliances of various kinds.

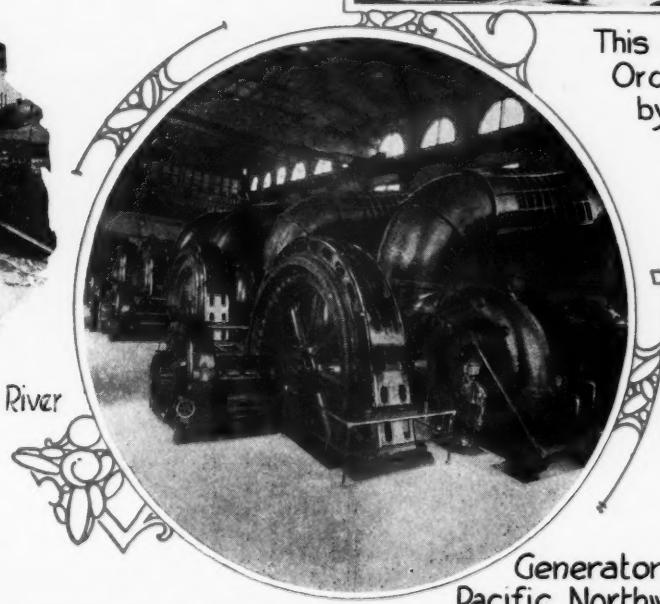
To reach and influence this highly prosperous farm market you need the state farm weeklies, *The Washington Farmer*, *The Idaho Farmer* and *The Oregon Farmer* whose localized home-state service means thorough coverage and real influence. These state weeklies reach 7 out of every 10 farmers in their states, their circulation of over 110,000 being 83% UNduplicated by any other single farm paper or magazine.



Electricity Supplies Power and Light for This Pacific Northwest Apple Packing Plant



This Pacific Northwest Orchard is Sprayed by Means of Electric Power from a Central Station



Generator In Pacific Northwest Power House



The Spokane Country—101,733 urban families. The Spokesman-Review and Spokane Chronicle, circulation 93,000 (86% UNduplicated.)



100 h.p. Power Station at Nine Mile on Spokane River

This Harnessed Farm Field With
ONE ROD ONE MEDIUM

NORTHWEST FARM TRIO
THE WASHINGTON FARMER THE OREGON FARMER

10 Farmers and Growers in Their States
Wash. Offices: Seattle, Portland, Boise
Associated Farmers
New York, Chicago, San Francisco

an and Market With Incomes Far Above the Nation's Average

Practical Plans for Paying Specialty Salesmen

No. 2. The Drawing Account-Commission Method—Its Uses and Abuses*

BY RICHARD C. HAY

ONE important advantage of the drawing account-commission method of payment over the straight commission is that the salesman is relieved of immediate worry on income while he is becoming familiar with his product. On this point John W. Scott, of Buckley & Scott, Inc., Boston, says:

"A definite time limit should be set on which a drawing account should run. However, I feel that this is the best method for paying salesmen because it relieves the salesman of the immediate worry of forcing during his early weeks of service, allowing him to concentrate on acquiring the fundamentals of his line and the basis of his presentation, and still does not reduce his opportunity of obtaining a definite percentage on all that he produces."

The sales manager of a well-known electric refrigeration corporation favors the drawing account method of payment because he says there are times when the drawing account means setting up a proper connecting link between having a salesman drop out and having him make a success of his work, or between inconvenience and satisfaction. This sales manager stresses a point of great importance when he says that the drawing account is a further reminder to the salesman of a regular firm connection and the possibilities that await those who aspire to more responsible executive positions.

He favors payment of a commission in generous percentages and says:

"We say generous commissions because they are the incentive to greater effort and are the constantly recognizable forms of awards for definite achievement. The incentive value in generous commissions is most remarkable."

*The conclusion to an article in the March 29 issue. Other articles in this series appeared March 8 and 15.

R. W. Gorham, sales manager of Altorfer Brothers Company, manufacturers of ABC washing machines, calls attention to one important point which should be considered in establishing a drawing account-commission method. His organization has made a thorough test of this method and of this experience he says:

"The commission with drawing account we found handicapped some salesmen if their drawing account was low, and, on the other hand, an ample drawing account was soon considered as a salary and again the incentive was lacking or reduced."

This calls attention to the vital importance of establishing the drawing account with greatest care, to prevent the two difficulties, mentioned by Mr. Gorham, from occurring.

Many dealers and manufacturers who use the drawing account-commission payment method for their regular organization find it necessary to pay a new man who has not had a great deal of experience in selling but whom the dealer is confident will get results (after proper training), a straight salary for a certain length of time rather than to start him out on straight commission or drawing account-commission. In this way the salesman knows where his living is coming from and is not mentally worried about getting sufficient money to defray his expenses.

He starts in the first day with confidence and is in a much more receptive mood and will learn a great deal faster than if he has any misgivings about his income. This should not cover more than a few months or weeks—only long enough to enable the salesman to become fairly familiar with the line. At the end of that time, O. D. Ward, of W. W. Ward & Son, Rutland, Vermont, who follows this method with new salesmen, then places his men on a basis which he describes as follows:

"If we are taking on a salesman who has had selling experience in the line which he is to handle for us, I would give him a small drawing account and commission. I believe that the commission basis is the greatest incentive to a real salesman. He is able to make more of a game of his selling and he feels that he is in business for himself more than is usually the case if he is on a straight salary."

Certainly these drawing accounts should not be nearly what a man feels he should earn, for experience shows that when a man is paid in full as a salesman on a basis of what he believes he can sell, he usually gets discouraged or gives up. Most salesmen have figured the amount of income that would satisfy them, and many men, when they reach this figure, settle down and begin to reduce their efforts at selling. This point is well taken up by W. P. MacKenzie, of the MacKenzie Engineering Company, Philadelphia, who says:

Only Real Incentive

"After all, the only real incentive for anyone to work harder is the hope of a greater gain. This cannot be measured in hours, because one man may be able to produce very much more in an hour's time than another one. Consequently, the measure of value is accomplishment and not labor, for often a salesman who has been carefully selected and has the requisite qualities for a job receives no more than half of what he thinks he is worth, and with a good chance for reaching the sum in his mind, he will usually exceed that amount.

"It often becomes a problem with a sales manager as to what the particular man's services are likely to be worth, for no matter what advances he receives he has the same opportunity as any other man for earnings, but naturally men differ in ability, in earnestness, in hard work and various other factors, which are almost as important as intelligence."

The payment of salesmen on the drawing account-commission basis has many advocates, and many things to recommend it. It is especially useful to a company which is relatively new in the field, and must go slowly in

(Continued on page 39)

It's still... being done



IT was rather an unkind custom of the rough-shod gentlemen of early days to put their blindfolded victims on a bit of timber with instructions to take five steps east. Not a very pleasant thing to go through—and it is doubtful if any of the plank-walkers enjoyed the experience.

Most of the plank-walking today is done in business. In the buying of printing and paper, many an unsuspecting optimist finds that his royal road to printed quality is only a one-way plank with a nasty tumble at the end.

Nowhere is this so true as in the popular-priced bond field. Caslon Bond introduced a new day when it came out with watermarked quality at a price that gave entirely new value. Many a good business man has since tested the quality of Caslon Bond, and as a result continued to play safe with it.

Yet you may not know Caslon Bond, and the measure of safety it provides at popular price. That's why the manufacturers are preparing a book that will enable you to tell without risk what you may expect from this popular bond paper. This new book is not ready yet—but if you want one of the first copies, request it now by name, "*The Chart of Bond Paper Value*." You will find it all that the name implies. Reserve your copy now.

*The book "*The Chart of Bond Paper Value*" will demonstrate Caslon Bond in every one of the uses to which it is fitted—and printed in the many ways its versatile surface takes kindly to. Write to the manufacturers for your copy.*

CASLON BOND



The popular-priced paper for the work-a-day world

THE MUNISING PAPER COMPANY · Manufacturers · MUNISING, MICHIGAN

Celotex Offers Training Course for Retail Salesmen

BY L. M. COLE

ALTHOUGH only a month old, an enrolment of 750 members is the achievement of the "Merchandisers' Club of America," for retail lumber salesmen and merchants originated and organized by C. E. Stedman, vice-president and general sales manager of The Celotex Company, Chicago.

The definite need of retail lumber salesmen for courses in the fundamentals of retail selling was realized by Mr. Stedman over a year ago. He found by analysis that the calibre of retail lumber salesmen was as high as that of the men who had shown progress in selling competitive specialties.

But he found the differences in sales results lay in the fact that while the specialty manufacturer had been consistent in an intensive educational campaign for retail salesmen, the manufacturer of materials regularly sold by retail lumber merchants had applied educational efforts only spasmodically. Consequently the lumber merchant was accused of poor merchandising methods, but little help was offered in the way of constructive suggestions or plans to improve the situation.

The realization of this need furnished the incentive for the organization of the "Merchandisers' Club of America."

The eligibility of salesmen for membership in the club is decided by the yard manager or an executive of the lumber merchant's, who sends a list of these salesmen to The Celotex Company on a printed form furnished for that purpose. This form includes the statement that copies of all letters, bulletins, etc., to go to the nominee will be sent through the merchant. This makes the tie-up with the merchant, rather than directly with The Celotex Company.

A membership card is issued to the men whose names appear on the form, signed by W. G. Moeling, Jr., secretary of the club, together with a leather-bound sales manual, in which can be kept the weekly sales helps sent each member. Data on all items a

dealer handles are furnished and not material on Celotex alone, therefore, the salesmen can use the manual as a guide in all selling.

A weekly bulletin to which the salesman is asked to pay particular attention is the "Sel-O-Gram," resembling a telegram, used in transmitting pertinent information to club members. These forms are all punched to fit the sales manual and the men are asked to insert them as received. The club's emblem is a picture of George Washington.

At intervals of about four months, club executives will furnish members with a resume of progress made and the increase in sales as a result of the plan. This is intended to spur laggard salesmen to a more conscientious use of the helps furnished.

According to Mr. Stedman, one of the motives which prompted the organization of the "Merchandisers' Club of America" was to impress retail lumber merchants with The Celotex Company's desire to assist in maintaining a consistent, healthy volume, not only of Celotex, but of other commodities they handle.

Further benefits of the club, as it develops, will be:

Local chapters organized and directed by their own officers;

Awards of value given from time to time for meritorious performance in retail selling;

A degree of "master merchandiser" established to provide honorary membership to outstanding members;

Educational data of the highest type injected into the club procedure;

Weekly bulletins of items interesting to the retail trade to be forwarded to each member regularly;

Fundamentals of retail selling made available to members in a complete, concise and understandable form.

The first weekly bulletin dealt with selling quality rather than price, and contained excerpts from an address made by an expert forester on the subject that the price argument may be overcome if the salesman knows his



C. E. Stedman, vice-president and general sales manager of The Celotex Company, Chicago, was the originator of the Merchandisers' Club.

lumber values. An example of how one M. C. A. member overcame the price question with a quality argument was also included.

More technical aspects of lumber selling were the subjects of the second bulletin, which contained lessons on distinguishing various types of pine and identification of lumber by using the pith and second annual ring. Box construction was explained in the third bulletin.

Reo Motors Promotes Eldridge and Poxon

Clarence E. Eldridge, general sales manager, has been promoted to assistant to William Robert Wilson, general manager, in charge of general assignments, and Elijah G. Poxon is now general sales manager of the Reo Motor Car Company, Lansing, Michigan.

When buying cars for business use consider these

4

SIGNIFICANT FACTS

An analysis of the Oakland Motor Car Company's fleet sales for the past two and one-half years reveals these four significant facts:

- 1 Among the large number of fleet users of which we have record, 67 prominent companies, in 38 principal business fields, have each bought 25 or more Oakland and Pontiac cars.
- 2 These 67 companies alone have purchased a total of more than 5000 Oaklands and Pontiacs—an average of 75 cars per company—during the two and one-half year period.
- 3 Each of these companies bought additional Oakland and Pontiac cars in 1929.
- 4 And their 1929 Oakland-Pontiac purchases alone total 2000 cars—an average of 30 cars per company—or 40% of the entire number of Oaklands



and Pontiacs which they have purchased during the time that this record has been kept.

These firms have made careful tests of the fleet performance of Oakland and Pontiac cars. They have kept accurate records of the cost-per-mile of operation and maintenance. The result is that they have become regular Oakland and Pontiac users, with each year bringing important increases in the number of Oakland and Pontiac cars which they employ.

Such facts surely deserve the consideration of a man responsible for holding his firm's transportation expense at a minimum. If that applies to you we will gladly tell

you what savings you can reasonably expect to effect in your fleet operation costs with the New Series Pontiac Big Six and the New Oakland Eight. Write to the Fleet Department for complete information. We will also send our Fleet Users' Plan of co-operating with you to reduce sales expense.

The New Oakland Eight, \$1045 and up. The New Series Pontiac Big Six, \$745 and up. All prices f. o. b. Pontiac, Mich., plus delivery charges. . . . Oakland Motor Car Company.

OAKLAND  **PONTIAC**
EIGHT PRODUCTS OF GENERAL MOTORS **SIX**

AutoStrop Razor Asks Gillette Accounting; Sues United Cigars

Suit against Gillette Safety Razor Company for infringements of patents owned by the AutoStrop Safety Razor Company on its Probak blade and holder was formally filed by AutoStrop company at New York, Wednesday of this week. An accounting for profits made by Gillette on its new razor and blade introduced last month and judgment for damages suffered by AutoStrop are also demanded.

Simultaneously proceedings were instituted against United Cigar Stores Company to restrain them from offering for sale the new Gillette razors and blades. The Probak blade, a picture of which appeared in SALES MANAGEMENT March 29, has a double-edged blade of duo-tempered steel, with "butterfly" channels designed to fit double-edged razors. It was invented by Henry J. Gaisman, inventor of the single-edged Valet AutoStrop razor, who is chairman of the board of the AutoStrop company. Mr. Gaisman, incidentally, is also the inventor of the autographic kodak. The Gillette razor now being nationally exploited in a \$7,500,000 campaign is said to embody several important features covered by the Probak letters patent. Mr. Gaisman applied for patents on the Probak holder and blade seven years ago. Early in 1928 a patent was issued to him on it. On January 14, 1930, this patent was reissued.

In its suit the AutoStrop company asks that Gillette discontinue manufacture and distribution of the new Gillette blade and holder and turn over all profits accruing from their sale.

Campaign Seeks New Uses for Cellulose Products

To promote present and develop new uses for products that contain nitrocellulose, the Hercules Powder Company, Wilmington, is initiating an extensive magazine advertising campaign to business executives.

Each advertisement calls attention to a booklet "The Story of Modern Lacquer," which may be had on request.

Although the growth of the automobile industry has contributed to the increase of lacquer, explained A. B. Nixon, general manager of the cellulose products department, a large non-automotive field awaits further development. The purpose of the campaign will be to cooperate with manufacturers of nitrocellulose products.



© Arnold Genthe Photo

Archie M. Andrews

Sun-Maid Reorganizes; Transfers Three

Discontinuance of division sales offices of the Sun-Maid Raisin Growers, Fresno, California, has just been effected under the direction of Carlisle Thorpe, new president and general manager.

Three division sales managers—Harvey B. Lewis, formerly manager at New York; George H. Murray, formerly at Philadelphia, and John M. Hill, formerly at Chicago—have been appointed assistant sales managers and are now in Fresno to assist in working out the reorganization.

One of these executives will be assigned to work entirely with the chain stores, which handle 50 per cent of the raisins consumed in the country; another will be in charge of relations with wholesale brokers, and a third will contact with manufacturers and bakers using raisins in their products. Cost of operation of the new organization will be about \$35,000 a year, as compared with \$120,000 a year for maintenance of the division offices.

Milwaukee Seeks \$105,000 for Promotion Program

The Milwaukee Association of Commerce will conduct a sustaining fund campaign April 23-30 to raise \$105,000 for the creation of departments of industries, foreign trade, publicity and trade promotion.

The association plans to place the fund subscriptions upon a continuing basis to insure the addition of \$105,000 annually.

Edward G. Budd Manufacturing Company, Philadelphia and Detroit, maker of automotive wheels and bodies, has entered the aviation field to manufacture steel electrically welded ribs for airplane wings.

Gardner, Moon Unite Sales Departments; Others May Join

Engineering and sales activities of Gardner Motor Company and the Moon Motor Car Company, St. Louis, were consolidated this week. G. C. Patrick, formerly chief engineer of Gardner, will head the consolidated engineering organization, and F. H. Rengers, Gardner sales manager, will be general sales manager.

Consolidation, it is said, is being effected under the direction of Archie M. Andrews, president of New Era Motors, Inc., which introduced the Ruxton front-drive car last year, and which early this year consolidated with time.

It was reported that Jordan Motor Car Company, Kissel Motor Car Company and perhaps the Stutz Motor Car Company of America would also join in the merger.

John McArdle, vice-president of Jordan, admitted this week that this company had received a proposal from Mr. Andrews, but said that no definite announcement could be made at this time.

George Kissel of the Kissel Motor Car Company replied that negotiations were in progress for the acquisition of Kissel by a larger automobile company, but would not say whether or not it was the Gardner-Moon combine. Colonel E. S. Gorrell, president of Stutz, in a wire to SALES MANAGEMENT, said that his company would not join with Gardner-Moon. It is more probable that Stutz may become allied with the Peerless Motor Car Company.

Mr. Andrews has been an outstanding figure in the automobile industry for a number of years. He is a former director of the Hupp Motor Car Company.

Several other mergers are expected soon in the automotive field.

Bermuda Will Double Summer Campaign

Doubled advertising effort, involving an appropriation of \$25,000, is planned for this summer by the Bermuda Trade Development Board, emphasizing the freedom of Bermuda's climate from rainy spells, heat waves and hay fever.

An advertising campaign will start under the direction of the Wales Advertising Company, Inc., New York, in newspapers of the larger cities, chiefly in the East, about the middle of April.

YOUR SELLING PROBLEM ON THE COAST.

- ¶ Nearly every National Advertiser expects some day to sell his product on the Pacific Coast. Nearly all of them know that this great rich strip extending from Canada to Mexico—over 1600 miles long and averaging more than 200 miles wide, is the richest per capita section in the entire world—a great fast-growing country of stupendous wealth.
- ¶ They know that there are more than seven million live, wide-awake consumers here who want new merchandise—and for the most part, are able to buy what they want.
- ¶ A further study of this field reveals that two and a half million, or more than a third of these potential consumers live in the city of Los Angeles or its immediate proximity.
- ¶ Los Angeles, the fifth city of the nation, is easily the largest west of Chicago. Its population is growing four times as fast as the average for the country, and its industrial development is fully apace with this population growth.
- ¶ Hundreds of National merchandisers are already in this market—some firmly entrenched—some just coming in. Many more will enter the Pacific Coast field through the Los Angeles market in 1930.
- ¶ Most of these new merchandisers will undoubtedly profit by the experience of other National advertisers and of the local merchants by concentrating a large portion of their schedules in The Los Angeles Evening Herald.
- ¶ This newspaper, with a circulation larger by many thousands than any other daily newspaper in the West, has been for years the preferred medium in Los Angeles among both Local and National advertisers using the daily newspapers.
- ¶ In 1929, it led the second daily (a morning paper) in volume of advertising by 1,046,651 agate lines and carried 2,772,849 lines more than both of the other Los Angeles evening papers COMBINED.
- ¶ When you come to Los Angeles, there is one newspaper that can best solve your sales problems. It is the

LOS ANGELES EVENING HERALD

Representatives

New York
HERBERT W. MOLONEY
342 Madison Ave.

Detroit
RAY MILLER
General Motors Bldg.

Chicago
JOHN H. LEDERER
326 Madison

San Francisco
A. J. NORRIS HILL
Hearst Bldg.

Gar Wood Sets Out to Quadruple Its Motorboat Sales

One hundred per cent increase in advertising appropriation, 200 in production schedules, and in many cases 400 in distributor and dealer quotas, have been made for 1930 by Gar Wood, Inc., motorboats, Marysville, Michigan, J. Howard Teagan, who has just been appointed general sales manager, told SALES MANAGEMENT this week.

"During the past year approximately 20 per cent of Gar Wood motorboats have been exported, 40 per cent sold through distributors and dealers in the East and Northeast, 20 per cent on the West Coast and 20 per cent throughout the Central states," Mr. Teagan explained, in outlining the company's distribution organization.

"Recently we have added eleven distributors and fifty-nine dealers. We are making plans to increase considerably the entire organization in 1930, with distributors in all of the larger cities. These will have their own dealer organizations. All distributors must have an exhibition boat, and a demonstrator as well as a merchandising organization. All dealers must have a demonstrator and proper facilities for rendering service.

"Our 1930 program," Mr. Teagan continued, "calls for the building of fourteen models, ranging in length from twenty-two to thirty-three feet, of which seven are of the open and seven of the closed type. Their speeds range from thirty to fifty-five miles an hour; their prices from \$2,250 to \$12,950."

Gar Wood, Inc., also has a custom department to build boats with guaranteed speeds up to ninety miles an hour and of almost any length required. This custom factory is directed by the designer of the Miss America series, present speed record holders. The company has recently completed a new plant at Marysville.

Advertising is appearing in boating and class media.

Mr. Teagan is a former executive of the Hupp Motor Car Company, where for two and one-half years he was assistant sales manager, and for fourteen, export manager.

Ford May Go into Poland

In a wire to this magazine the Ford Motor Company said that it knew nothing of reports published in newspapers this week to the effect that it was negotiating for the Isotta-Fraschini Company, Italian auto and airplane manufacturer. The company admitted, however, that it is negotiating for a plant in Poland.

Wedding to Launch New Perfume Line

Inspired by the coming wedding at Paris of the Princess de Faucigny Lucinge, for whom dresses and gowns were created by Lucien Lelong, designer of dresses and gowns, Lucien Long, Inc., will introduce in June on a nation-wide scale a line of perfumes and cosmetics—replicas of a bouquet package planned as a gift to each member of the bridal party.

The plan is part of the company's program to harmonize perfumes and costumes. Lelong has arranged twelve "ensemble make-up charts" for distribution to department and specialty stores, showing the exact powder and perfume to be used with sport and afternoon dresses, evening frocks and negligee.

Lucien Lelong, Inc., maintains American offices in New York, Chicago and Los Angeles.

Urges Advertisers to Use Complete Addresses

On nearly 50 per cent of advertisements "intended to evoke a reply," which appear in newspapers and magazines, the advertiser's name and city only are printed—the street and number address being omitted, Arthur C. Lueder, Chicago postmaster, points out in a letter to editors.

The absence of definite address, Mr. Lueder explained, "not only imposes a constantly increasing burden upon the post office, but seriously interferes with the prompt dispatch of such mail." At Chicago alone, "not less than 75,000 pieces of mail, exclusive of that addressed to larger and well-known firms, are received daily without street address."

Mr. Lueder suggests that "you point out to your advertisers the benefits to them to be derived from a complete address."

Clorox Starts National Magazine Campaign

Clorox Chemical Company, Oakland, California, will inaugurate national magazine advertising in April for Clorox, a household stain remover, deodorant, disinfectant and bleach. Clorox has been advertised nationally in newspapers for several years. Erwin, Wasey & Company is in charge.

Deep Rock Oil Plans \$400,000 Promotion; to Expand Line

Between \$400,000 and \$500,000—an increase of approximately 100 per cent—will be spent in advertising this year by the Deep Rock Oil Corporation, the name which has just been adopted by the Shaffer Oil & Refining Company, Tulsa, Oklahoma. The corporation is a unit of Standard Gas & Electric Company.

"The change in name is intended to incorporate our leading trade name brands into our corporate name," B. L. Majewski, vice-president in charge of sales, at Chicago, informed this magazine.

"The Deep Rock trade-mark has identified our products for the last eighteen years. The last few years we have spent \$250,000 for advertising annually."

In addition to promoting the new name, the enlarged appropriation will be devoted to several new products which the company will soon bring out, Mr. Majewski said. Newspapers, radio, business papers and direct mail will be the principal media.

Two products, to be emphasized especially this year, are Kant Nock Ethyl gasoline and Deep Rock motor oil. The Deep Rock organization has also developed heating oil for domestic and commercial uses.

District offices are maintained at Des Moines, Minneapolis, Milwaukee, New York, Oklahoma City and Omaha.

RCA Radiotron Names Graver and Baukat

Richard A. Graver, until recently sales manager of the CeCo Manufacturing Company, radio tubes, Providence, has been appointed Southeastern district sales manager of RCA Radiotron Company, Inc., at Atlanta.

Henry W. Baukat has resigned as technical and associate editor of *Radio Retailing*, New York, to become director of publicity and editor of the house organ, *Good News*, of the Radiotron Company, at Harrison, New Jersey, where the main offices are now located.

Ferdinand B. Wanselow, recently appointed Eastern district sales manager, has moved his office to New York City.

Executive and sales offices of the Detroit Aircraft Company, have been moved to Plant Number Four of the company, at West Fort Street and Campau Avenue, Detroit.

The S. V. E. Automatic Picturol Projector. Automatically tells your story to prospects.

Visualize your PRODUCT or SERVICE

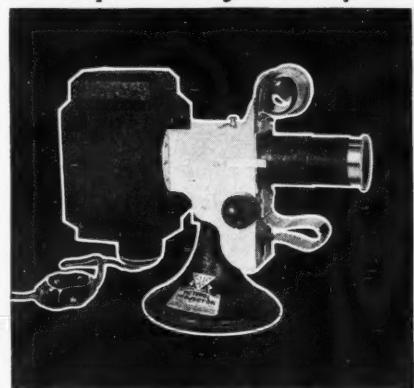


"ONE picture is worth a thousand words." Show your prospect to amplify your story. Business is adopting this graphic method of selling in rapidly increasing numbers.

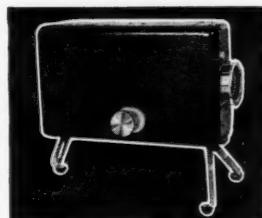
For years "S. V. E." has stood for advancement in the field of visual education. Pictured in this advertisement are three types of projectors, which satisfactorily care for the needs of modern business.

There is a place for one or more of these types in every progressive business today. They save time, they dramatize your product or service. They bring in business. They are inexpensive to operate. They are fool-proof.

The Society for Visual Education is the designer and manufacturer of the S. V. E. Automatic Picturol Projector, the manually operated S. V. E. Picturol Projector and the unique S. V. E. Jam Handy Pocket Explainer, distributed by the Jam Handy Picture Service (Newspapers' Film Corporation).



The manually operated S. V. E. Picturol Projector. (Sold also as Jam Handy Explainer). A small efficient instrument for projecting still film. Weight only 4½ pounds.



The S. V. E. Jam Handy Pocket Explainer. The most compact still picture projector on the market. Weight only 28 ounces.

Send in the attached coupon. We will gladly give you complete information about them and how they can help your business.

SOCIETY FOR VISUAL EDUCATION, Inc.
Dept. 240, 327 S. La Salle St., Chicago, Ill.

Gentlemen:

Please send me full details about the machines checked:
The S. V. E. Automatic Picturol Projector.
The manually operated S. V. E. Picturol Projector.
The S. V. E. Jam Handy Explainer.

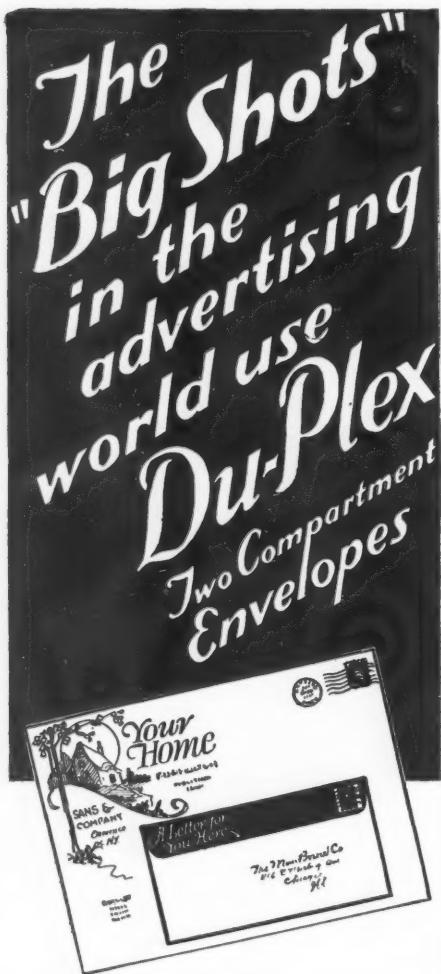
Name _____

Position _____

Address _____

City _____

SOCIETY FOR VISUAL EDUCATION, INC. SVE
Manufacturers, Producers and Distributors of Visual Aids
327 SOUTH LASALLE STREET, CHICAGO, ILLINOIS.



YOUR Catalogs and Booklets, Samples or Sales Literature will produce greater returns when mailed the DU-PLEX WAY

Catalogs and booklets, like flesh and blood salesmen, need appropriate introduction. Letters perform this function, but the catalog or booklet must be there—or hand when the introduction is made. To mail letter and catalog both first class is excessive cost, but to mail them together in Du-Plex two-compartment envelopes is economical and a sure way of "hitting while the iron is hot."

For Sale by Paper Merchants and Printers.



Both Together Sir!

Du-Plex Envelope Corporation
3026 Franklin Blvd., Chicago, Ill.

Write Us for Samples

Compile "Who's Who in Advertising"

A "Who's Who in Advertising," containing 5,000 or more biographies of agency executives, advertising and sales managers of concerns that advertise, advertising managers and other executives of publications, and those who deal in advertising, will be published soon by Harper & Brothers, New York.

John L. Rogers will direct the editorial and compilation work. Questionnaires from which the biographies will be edited will be mailed to these executives in the next two months.

New Syncrokeen Razor Guarantees 30 Shaves

Syncrokeen—a de luxe safety razor which "sharpens when you shake it" and which retails at \$10 and \$15—is now being introduced in the larger cities of the East and Middle West by De Haven Razor Corporation, Swanton, Ohio, through its sales company at New York.

Initial distribution is through clubs, barber shops, hotels, tobacco shops, sporting goods stores; initial advertising in class magazines. A national campaign through more general media is contemplated.

The Syncrokeen process, it is said, combines honing, stropping and cleansing, guarantees the blade for thirty shaves, and, with proper care, enables the user to get from each blade as many as 300. The company offers a week's trial and a money-back guarantee.

Ford Glass Combines with Libby-Owens

Edward Ford Plate Glass Company will merge soon with the Libby-Owens Company, both of Toledo, according to an agreement of directors of the two companies worked out this week. The new company, to be known as the Libby-Owens Ford Glass Company, will be the largest maker of sheet glass and one of the largest of plate glass in the world.

Plan Colored Locomotives

Oil-electric locomotives will soon be produced in color by Westinghouse Electric & Manufacturing Company. Prof. J. B. Ellis, of the Carnegie Institute of Technology, and art instructor and design specialist for Westinghouse, has been working on the plans in experiments with a small half-pound model of a seventy-ton locomotive.

Toy Makers Develop Year-Round Trade; Plan Summer Fair

To aid in stimulating the sale of toys throughout the year, the Toy Chamber of Commerce will hold at New York next June 9-14 its first annual Summer Fair. More than thirty manufacturers will participate.

Heretofore Toy Fairs have been held in February to enable jobbers to anticipate their Christmas needs and prepare advertising and catalogs. The February Fairs will continue.

"At present both retail and wholesale concerns do about 90 per cent of the year's volume in December," H. D. Clark, secretary of the Toy Chamber of Commerce, told SALES MANAGEMENT. "This retail volume now aggregates \$200,000,000," Mr. Clark said, "and is going forward at the rate of five or six per cent a year.

"With the cooperation of the various branches of our industry, we are endeavoring to obtain year-round demand for toys. Stores are maintaining their toy sections at other seasons and in many instances the Christmas displays are starting earlier. Another method is to increase the sale of toys at Easter time. Manufacturers in their advertising are also pushing practical and educational lines of year-round appeal.

"Although toys now run into high figures—some electric trains selling for \$150—the ten, twenty-five and fifty-cent products remain the best sellers."

Plan American Fair; Advertisers Exhibit

Sixty industries and advertisers have already engaged space in the American Fair, to be held in the Atlantic City Auditorium, July 17-August 27.

Among exhibitors are Singer Sewing Machine Company, National Cash Register Company, International Business Machines Corporation, Black & Decker, Geometric Stamping Company, Pathé Exchange, Inc., Public Service Electric & Gas Company, Gulf Refining Company, the Crane Company, Morgantown Glass Company; and Howard Clothes, Inc.

A feature of the fair will be the inauguration by Pathé Exchange of an Industrial Art Theatre — portraying "America at work."

Truscon Promotes Loew

Oscar W. Loew, director of advertising and sales promotion of Truscon Steel Company, Youngstown, Ohio, for the last six years, has been appointed a vice-president.

Used Pipe Worth 50 Cents as Trade-in Allowance

An allowance of fifty cents on any old pipe is being made by United Cigar Stores Company in a test program in several New York stores to stimulate the sale of its Imperial pipe line. The line sells regularly for \$1.50—or \$1 with the trade-in privilege.

Bill Aids Massachusetts Community Advertising

A bill to permit cities and towns of Massachusetts to appropriate public revenues for advertising their resources has been introduced in the legislature at Boston, under sponsorship of chambers of commerce and industrial bureaus in that state.

Under special legislative acts certain Massachusetts cities now have this right and the bill would extend it to all of them.

The limit of appropriation would be one-fifth of 1 per cent of the community's annual total revenue from all sources for the preceding year. In no case could more than \$50,000 be devoted to this purpose by a community in any one year.

Stinson Planes Report 616 Per Cent Sales Gain

Sales of Stinson airplanes for the first two and one-half months of 1930 increased 616 per cent over the same period last year, William A. Mara, vice-president, announced this week. Most of the gain was in the new junior four-place cabin plane selling at \$5,775, Mr. Mara said. Production for the same period is 540 per cent above last year.

Since January 1 the company's dealer organization has been increased about 46 per cent.

Allegheny Promotes Four

V. B. Brown, assistant to the president; F. H. Stephens, secretary and assistant treasurer; W. F. Detwiler, general manager and P. F. Voigt, Jr., general sales manager, have been elected vice-presidents of the Allegheny Steel Company, Braddock, Pennsylvania. All have been with the company for extended periods—Mr. Voigt for twenty years.

Procter & Gamble Company, Cincinnati, will start soon to erect a \$5,000,000 plant at Long Beach, California, for the manufacture of edible products. The company's Baltimore plant now under construction will be opened August 1, to manufacture white soap bars and chips for the South-eastern territory.

Western Television to Sell Sets Soon in Chicago Area

Television, designed to operate directly with radio apparatus, by the substitution of a televiser for a loud speaker, will be introduced in the Chicago territory April 15 by the Western Television Corporation there, C. F. Wade, president, told this magazine this week. In thirty to sixty days the corporation expects fairly complete distribution throughout that territory. It will be extended gradually throughout the country.

Synchronized sight and sound broadcasting has been carried on for some time over stations W9XAC, owned by Western Television, and WIBO, owned by Nelson Brothers and the Chicago *Evening Journal*, Mr. Wade said. In conjunction with the Western Television Corporation, the Chicago *Daily News* is constructing a station which will soon be on the air with a regular program. WKRC at Cincinnati is also installing sight equipment and several other broadcasting stations in that area are negotiating for equipment.

"Distribution of receiving sets will be made through regular radio channels," Mr. Wade added.

"Simultaneous sight and sound reception are complementary—although at present the installation of two radio sets, one for sound, the other for sight waves, is necessary."

Will Talk on Advertising Service to Consumer

"How Advertising Serves the Consumer" will be analyzed by the Pacific Advertising Clubs Association in the twenty-seventh annual meeting at Spokane, June 22-25.

In line with this theme, Raymond Kelley of Spokane, president of the association, pointed out, there will be three three-minute speaking contests on the subjects of how advertising saves for the consumer and on how it protects and educates him.

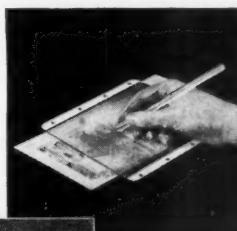
New Pennant Lubricant

Pennant Oil & Grease Company, Los Angeles, has started a regional campaign in business papers, radio and newspapers, to promote Penndis, a new motor lubricant, which is a blend of mineral and castor oil. William A. Ingoldsby Company, Los Angeles, is the agency in charge.

Case-Shepperd-Mann Publishing Corporation, New York, moved this week to the Scientific American Building, 24 West Fortieth Street.

SAVE TIME... MONEY

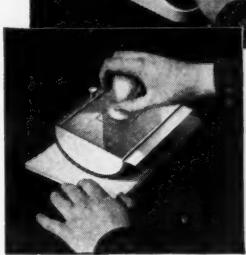
WRITE—
DRAW



TYPE—
WRITE



PRINT



WITH THE INSTANT DUPLICATOR

The Instant Duplicator prints anything—bulletins, sales letters, menus, price lists, house organs, charts, maps, lesson papers, post cards, labels, instruction sheets, advertising folders, etc.

Simply typewrite, write, trace or draw on an Instant Duplicator stencil . . . slip it on the machine and you are ready, immediately to roll off thousands of clean, clear, sparkling-sharp copies right in your own office.

Cuts printing costs to a fraction. Cuts days of preparation to minutes. No business office, club, school, restaurant, hotel or merchant should be without one.

Four models range in price from \$7.50 to \$30.00. Ask your stationer or office supply dealer, or write for information.

SAFE-GUARD CHECK WRITER CORP.
Lansdale Pennsylvania

Branch Offices:
119 Nassau St. 435 Chestnut St. 510 N. Dearborn St.
New York City Philadelphia, Pa. Chicago, Ill.

General Motors to Sell Radio Through Exclusive Dealers

Exclusive dealerships, with protected territories; distribution direct from factory to dealers through twenty-five zone offices now being established; sectional service stations and warehouses at strategic points to eliminate heavy dealer inventories and a uniform dealer accounting system are the outstanding phases of the distribution plans of General Motors Radio Corporation, Dayton, division of General Motors Corporation, for its line of radios for automotive and home use which will be introduced soon, John E. Grimm, Jr., vice-president and director of sales, announced this week. Closely linked with the zoning system is a method of servicing to provide fast handling of major repair work and efficient distribution of service parts, Mr. Grimm pointed out. Major service stations will be located at strategic centers. These will handle major service work for General Motors radio dealers, and in most instances will be equipped to take care of retail service for dealers as well.

As a part of this plan, the nation-wide organization of United Motors Service, Inc., another division of General Motors, will be used. This organization will be responsible for the national distribution of General Motors radio service parts through its twenty-seven branches throughout the United States. United Motors for a number of years has been the field service organization for a large number of automobile parts.

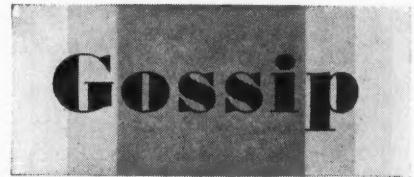
"United Motors Service, Inc., also have the national distribution of the automobile radio on cars now in the hands of owners," Mr. Grimm said. The automobile radio will be known as the Delco Radio and will be merchandised through the Delco Radio Corporation, a selling organization of the General Motors Radio Corporation, to United Motors Service and direct to car manufacturers for original equipment on new motor cars.

"Exclusive dealerships and protected territories make up an important feature of the new merchandising plan," stated Mr. Grimm. "Under this a dealer may not handle other makes of radios, but in return is given a definite, protected territory of his own, based on a radio potential, with a wide margin for a prosperous growth. This is based on the cardinal principle of General Motors, that, 'if we are to be successful, our dealers must make money.'

"Both national and local advertising will be handled by the General Motors Radio Corporation on a basis that will make it unnecessary for the average dealer to have any additional advertising expense. Every dealer will receive a sufficient amount of local advertising commensurate with the volume of business and the territorial potential. Individual records will be kept at all times, covering the amount of advertising spent for each individual dealer, in order that a proper proportioning and accounting can be maintained throughout the year.

"The full benefits of financing given by General Motors to its automobile divisions will be extended to General Motors Radio Corporation dealers and to purchasers of their products through the General Motors Acceptance Corporation. Dealers will be financed in their wholesale purchases and will be able to extend the benefits of time payments to their customers on the principle used in buying automobiles. Insurance will be handled through the General Exchange Insurance Corporation, which writes General Motors automobile insurance.

"Realizing the dealer's problem in connection with the trading in of old radio receivers, the company has set up a reserve which will be proportioned every ninety days by dealers, based on the volume of business handled during the period, to assist in disposing of or junking of the unsalable portion of the dealers used radio inventory. This plan has proved successful in the automobile field and will be a very valuable asset to the General Motors radio dealer."



JOHN DE VRIES, formerly art director with H. K. McCann Company, previously with N. W. Ayer & Son and J. Walter Thompson Company, has joined Lennen & Mitchell, Inc., New York, in a similar capacity. . . . A. J. PETERS has been appointed general sales manager, and GEORGE OSTLUND, assistant to the general sales manager, of Consolidated Gas Company of New York and affiliated gas companies. Mr. Peters has been assistant general sales manager for more than two years. He succeeds G. M. KARSHNER, resigned. Mr. Ostlund has held sales positions with Westchester Lighting Company, Mount Vernon, New York. . . . W. O. FLOING, who recently sold his own advertising business in New York, has joined the Charles Daniel Frey Company, Chicago advertising agency, as vice-president. . . . ROY LYON is now advertising manager for the C. F. Church Company, Holyoke, Massachusetts. . . . EARLE W. LANCASTER, for four years account executive with Doremus & Company, Boston and New York, has been appointed New England manager of that agency. . . . JOHN F. O'CONNELL, former partner in the O'Connell-Ingalls Advertising Agency, Boston, will continue the agency's business as the O'Connell Advertising Agency, at 100 Boylston Street. . . . A. A. MEYER has been appointed Central Western sales representative of the McCandlish Lithograph Corporation, Philadelphia, with headquarters at the Provident Bank Building, Cincinnati. . . . JAMES MCFATE has joined the merchandising department of *Hotel World's* Eastern office at New York. . . . A. L. BAUERS and CHARLES A. REYNOLDS have been appointed vice-presidents in charge of operations and finances, respectively, of the General Outdoor Advertising Company, Inc. Mr. Bauers had been in charge of operations, in Philadelphia, and Mr. Reynolds, vice-president of Bancamerica-Blair Corporation. . . . HERBERT O. WARD has become advertising manager of Chrysler Export Corporation, New York, to succeed DAVID H. DECKER. Mr. Ward has been an executive in the central advertising department of the corporation. Mr. Decker is now in the export publishing field. . . . B. F. SAYERS is now assistant sales manager in charge of branch offices of the Autocar Company, Ardmore, Pennsylvania. He was formerly branch supervisor of the Federal Motor Truck Company at Detroit. . . . A. E. AVEYARD, for the past five years an account executive with the Chicago office of Lord & Thomas and Logan, has been elected executive secretary. . . . CHARLES H. EYLES, president of the Richard A. Foley Advertising Agency, Inc., has been elected chairman of the Philadelphia Council of the American Association of Advertising Agencies.

Underwood Promotes Two

A. E. Tongue has been appointed manager of the publicity division and W. D. Simmons, sales manager of the school sales division, of the Underwood Typewriter Company and General Office Equipment Corporation, New York. Both executives have been with these departments and companies for several years.

Brinckerhoff, Inc., Chicago agency, are now located at 333 North Michigan Avenue.

Account Changes

CONGRESS CIGAR COMPANY, INC., Philadelphia, La Palina cigars, to the Lawrence Fertig Company, Inc., New York.

GROUND GRIPPER SHOE COMPANY, INC., New York City, Cantilever shoes, to N. W. Ayer & Son, Inc., there.

QUAKER OATS COMPANY, Chicago, Quaker Puffed Rice, Puffed Wheat and Muffets—English account—to Lord & Thomas and Logan of London.

AMERICAN HAIR & FELT COMPANY, Chicago, hair and felt products, to Buchen Company, there. Trade papers, newspapers and direct mail.

SILK-EZE CORPORATION, Boston, Silk-Eze powdered soap, to Batten, Barton, Durstine & Osborn, Inc., there.

JOSEPH BURNETT COMPANY, Boston, extracts, to Batten, Barton, Durstine & Osborn, Inc., there.

PHOENIX HOSIERY COMPANY, Milwaukee, to Hanff-Metzger, Inc., New York.

INTERNATIONAL SALT COMPANY, Scranton, Pennsylvania, to Paris & Peart, New York City. Newspapers and trade papers.

TELEVATOR CORPORATION, New York City, Televeyor portable tray conveyors and dumbwaiters, to United Advertising Agency, there.

L. E. CARPENTER & COMPANY, INC., Newark, Pyroxylon coated fabrics, to Cleveland & Shaw, Inc., New York City.

NEW ENGLAND CONFECTIONERY COMPANY, Cambridge, Necco candies to Lavin Company, Inc., Boston.

FARMERS' AND TRADERS' LIFE INSURANCE COMPANY, Syracuse, to G. F. Barthe & Company, Inc., there. Farm papers and newspapers.

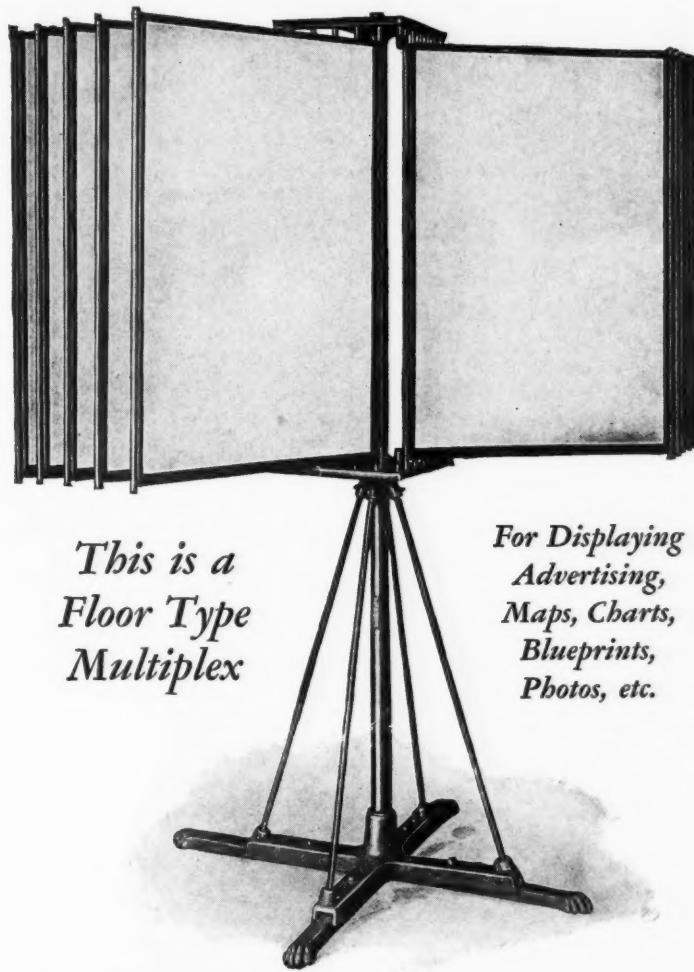
AMERICAN AERONAUTICAL CORPORATION, New York, Savoia-Marchetti airplanes; and HUNTINGTON AIRCRAFT CORPORATION, Stratford, Connecticut, to Grace & Holliday, New York. Newspapers and magazines for the former.

WEST POINT MANUFACTURING COMPANY, West Point, Georgia, Martex and West Point towels, to Richardson, Alley & Richards Company, New York City.

VACUUM OIL COMPANY, New York, Mobilgas account in Pennsylvania, to Batten, Barton, Durstine & Osborn, Inc., there.

ETON PRODUCTS COMPANY, Newark, Magnesia Oxoids, to Erwin, Wasey & Company, New York.

MADISON PAINT COMPANY, Cleveland, paints and asbestos liquid roofing; and the DALEY MOCCASIN COMPANY, Fort Covington, New York, moccasins, sandals and house slippers, to Marx-Flarsheim Company, Cincinnati.



*This is a
Floor Type
Multiplex*

*For Displaying
Advertising,
Maps, Charts,
Blueprints,
Photos, etc.*

Swinging Wing Fixtures That Keep Your DATA at Your Finger Tips!

Like a large loose-leaf book placed in a vertical position. Any number of wings furnished in almost any size. Both sides used for display purposes. Racks for wings made in various styles.

Write for Catalog and Price List

MULTIPLEX DISPLAY FIXTURE COMPANY
925-935 N. Tenth Street, St. Louis, Mo.

Send me without obligation, your book,
"Visualizing Modern Business."

Name _____

Firm _____

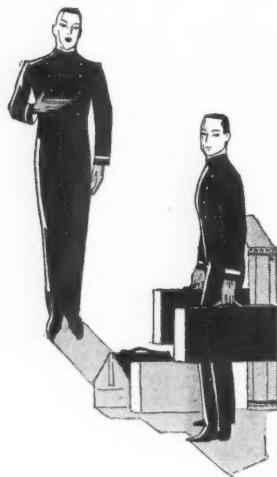
Address _____

City _____ State _____

ST. LOUIS
MULTIPLEX

N771R1

**ALWAYS
WORKING
FOR YOUR
GOOD WILL**



Every Statler employee is instructed to work for good-will harder than he works for sales.

An errand may take longer, an order be more difficult to execute, a guest harder to please—but every service rendered in a Statler is to be in the spirit of expressing and winning good-will.

That is the basic—if, indeed, it is not the determining—reason for the popularity of these hotels.

All travelers know that it isn't easy for a hotel to either win, or hold, good-will. Travelers who visit Statler cities will tell you that these hotels are trying to keep ahead in matters of equipment, of extra conveniences and comforts—and in the personal service rendered you by employees.

Fixed, unchanging rates are posted in every Statler room.

HOTELS
STATLER
BOSTON DETROIT
BUFFALO ST. LOUIS
CLEVELAND NEW YORK
[Hotel Pennsylvania]

**Kroger Grocery Elects
Morrill President**

Albert H. Morrill, for many years general counsel of the Kroger Grocery & Baking Company, second largest grocery chain, was elected president this week, following the resignation of B. H. Kroger, Jr., A. L. Nagel and George H. Meiners from the board of directors.

William H. Albers, president for the last two years, has become chairman of the board. Mr. Albers has been with the company for twenty-two years and is said to be the largest stockholder. Mr. Kroger is the son of the founder of the company. The election of Mr. Morrill is expected to be a step toward the reorganization of the company.

Kroger now has nearly 6,000 stores, which do an aggregate annual volume of about \$3,000,000. Its sales are exceeded in the grocery field only by the Great Atlantic & Pacific Tea Company.

**Introduce Chicken
in Glass Containers**

A new method of packing chicken in glass containers is being introduced by Kingan & Company, Indianapolis. A widespread newspaper advertising campaign will start soon.

The chicken is covered with gelatine—the net weight of all for a three-pound chicken averaging three pounds, six ounces. The gelatine may be used for soup, bouillon or jelly. National distribution is being developed by the company through grocery and department store channels.

The new container tends to intensify competition between promoters of tin and glass containers.

Wilding Films Expand

Wilding Picture Productions, Inc., Detroit, producer of commercial and educational sound and silent motion pictures has established a radio recording division, to produce electrically transcribed radio programs for commercial broadcasting.

Kodak in 50 Countries

Eastman Kodak Company, Rochester, now operates 220 "establishments" in 162 cities of fifty countries, the company pointed out in its annual report this week. Net profits last year were \$22,004,915—about \$900,000 more than 1928.

Cunningham Names Randolph

L. F. Randolph has become assistant general sales manager of E. T. Cunningham, Inc., radio tubes, New York, contacting with set manufacturers. He joined Cunningham early last year as head of the company's contact department.

**Electric Irons Lead
in Appliance Sales
Survey Shows**

With 54.4 per 1,000 home customers, compared with 51.1 in 1928, electric irons headed the list of electrical appliances sold last year, Stone & Webster, Inc., New York, reported in summarizing results of a nation-wide survey.

Other increases were percolators, 19.9 against 19.1; washing machines, 9.0 against 5.6; electric ranges, 17.6 against 16.3; electric refrigerators, 11.8 against 9.5; electric cookers, 9.1 against 6.2; and vacuum cleaner and floor polishers, 10.0 against 9.2. Miscellaneous appliances increased from 15.0 to 33.0.

Gas water heaters of various types increased from 13.7 to 16.4 per 1,000 home customers. Automatic heaters especially are very popular, having increased from 4.4 to 7.8. Gas house-heating installations increased from 166 to 352 or 112 per cent.

The analysis was made by Stone & Webster Service Corporation, a subsidiary, and applied to the operation of public utility properties which it supervises in fifteen states, and in Canada, Mexico and the West Indies. Combined, merchandise sales of electrical departments of the companies, covered by the report, amounted to 13.2 of gross revenue of sales of electric energy last year against 12.4 in 1928.

**Business Paper Editors
Broadcast on Business**

In connection with the meeting of the National Conference of Business Paper Editors with Governmental executives at Washington this week, six editors broadcast talks on "How's Business—Has It Come Back?" over twenty-nine stations of the Columbia Broadcasting Company.

The editors who participated were G. D. Crain Jr., of *Class and Industrial Marketing*, president of the conference; Paul I. Aldrich, of the *National Provisioner*; W. W. Macon, *Iron Age*; L. W. W. Morrow, *Electrical World*; Norman G. Shidle, of the Chilton Class Publishing Company, and Dr. Virgil Jordon, of the *Business Week*. Paul Wooton, Washington correspondent of the McGraw-Hill Publishing Company, introduced the speakers.

At a dinner meeting Secretary of Commerce Lamont and Dr. Julius Klein, assistant Secretary of Commerce, spoke on business conditions.

Stanley Uncovers a New Market in Hobby-Riders

(Continued from page 13)

in Providence said: "Both the plans and books are sure to interest men as well as boys. Some opened the plan on the counter and bought tools and accessories listed on the plan that were needed to build the article."

From still another dealer came the information: "Through our window display we sold to one party a set of wood carving tools, a book, ten plans, a rule, pair of pliers, scraper, bench lathe, hand saw, and a circular saw—all for home use."

Rarely has a company been able to get more concrete and clearer evidence of the success of a method of advertising or of service than the Stanley Works received from these letters from consumers and dealers. Through these replies to its questionnaires the company has had definite assurance that, by means of the plans and the book, it has succeeded in building up for itself a new market among amateur users of tools. It also has found a new dealer help in that it gives to the dealers a sort of service department which is of continual interest to a good-sized clientele, and is distinctly within the hardware field without the possibility of competition from other classes of local stores.

Practical Plans for Paying Specialty Salesmen

(Continued from page 26)

building up liabilities or uncollectible accounts. Experienced and successful salesmen like this method of payment because it means that their income is in very close proportion to the amount of ability and energy they put into their work. Inexperienced or unsuccessful salesmen are very apt to "ride" on the drawing account, and float from company to company, leaving a trail of overdrawn accounts behind them.

Too often, however, paying a drawing account to a salesman is no different from paying a salary, if that salesman is not able to produce enough business to earn commissions to equal or exceed his drawing account. It is nearly impossible to collect from the salesman when he gets in the "red," and for this reason many sales managers favor either a straight commission, which places no risk on the company, or the payment of a small salary with a bonus or commission for results. This latter plan will be discussed in the next article in this series to appear in an early issue.

New England's Second Largest Market

57 Out of 66

Railroad, Steamship and Travel Advertisers

using Providence newspapers during 1929 placed their copy exclusively in

The Providence Journal and The Evening Bulletin

These newspapers carried more than a Quarter of a Million Lines of Railroad and Steamship Travel advertising in 1929.

For ten consecutive years they have led Rhode Island newspapers in this class of advertising.

**Average Net Paid
Circulation for 1929**

125,515

Providence Journal Company

Providence, R. I.

National Representatives

CHAS. H. EDDY CO.

New York	Boston	Chicago
----------	--------	---------

R. J. BIDWELL CO.

San Francisco	Los Angeles	Seattle
---------------	-------------	---------

THE
TIMES-STAR
 is 1st
 with
**NATIONAL
 ADVERTISERS**

THAT national advertisers consider The Times-Star the major selling force in the Cincinnati market is clearly evident by the fact that this medium carried in national lineage during 1929, 1,373,832 lines more than the second paper, and 1,504,501 lines more than the third paper.

The concentration of selling effort in The Times-Star—the present trend of national advertisers—is merely a practicing of the long accepted theory: that intensive cultivation of fertile ground is most profitable.

—
**The Cincinnati
 Times-Star**

Eastern Representative
MARTIN L. MARSH
 60 East 42d St.
 New York City, N. Y.

Western Representative
KELLOGG M. PATTERSON
 904 Union Trust Bldg.
 Chicago, Illinois

Still Another Cooperative Idea Rings the Bell

(Continued from page 21)

was based on those findings. Naturally, the budgets were far from identical, but while they varied in the number of projects to be carried out and the amount of money to be spent, their common factor was the desire for advancement and progress through better advertising and merchandising efforts.

Since an advertising budget for small organizations is not usual, preliminary work was accomplished largely on new ground. "Arbitrary items" were set up. This term is one used to designate those things which custom dictates. For instance, in the ice cream industry, electric signs, painted store windows, sidewalk signs, and flavor boards are in this category.

Creating "Brand Demand"

Promotional classifications were dealt with after the arbitrary items had been taken care of. Since the object of all nine of the manufacturers was to create "brand demand," newspaper advertising was given first consideration.

One of the peculiarities of the ice cream industry is that only one brand is stocked in each store. Heretofore, because of this practice, little stress has been laid on brand demand.

However, with solicitation of accounts becoming keener all the time and competition greater, there is rapidly growing cognizance by ice cream manufacturers of the desirability of promoting consumer brand demand.

Daily and weekly newspaper insertions are bringing this brand demand for the ice cream manufacturers in the group. Week-end special and holiday specialties are played up in all the copy. Such advertising lends itself to checking, and definite returns on such a campaign can be readily seen. However, the influence of this advertising on the public mind is not its sum total of usefulness. The experience of the distributors indicates that a newspaper campaign properly displayed in a portfolio, by an energetic salesman, can turn more prospects into customers than any one other factor.

Each budget also has its quota of point-of-sale advertising, mainly window display material. Among the comments on window displays is one made by a Massachusetts dealer who declared that, "Every time we have made a window display, the added sales have shown a repeat business has

resulted, which has more than compensated for the labor."

Here is a typical budget for an ice cream subscriber, designed for a small town: dealers' broadsides, holiday merchandising plans, telephone directory advertising, Easter window displays, doctors' parties, nurses' parties, window display service from April to September, plant parties for adults, plant parties for children, billboard advertising, direct mail, individual store merchandising, fountain strips, window strips, newspaper advertising, electric signs, painted outside signs, magazine advertising, and sidewalk signs.

An advertising budget for milk includes: plant parties for adults, training course for route-salesmen and solicitors, Easter merchandising plans, home parties, plant parties for children, nurses' parties, magazine advertising, contest for the public, special merchandising activities for Thanksgiving and Christmas, donations, direct mail, and newspaper advertising.

Prepare Monthly Schedule

After the budget has been approved and the appropriation has been officially drawn, a "chart of activities" is prepared. This is a monthly schedule for carrying out the accepted projects. A copy is kept on the ice cream manufacturer's desk, or the milk distributor's desk, where at a glance he can tell what plans are scheduled for any month in the year. Such reference is his full share of the work, for the initiative and the follow-through are the responsibility of the central office. Each project is carried out automatically—copy is written, material is prepared and shipped under the guidance of the chart.

No work which fairly falls under the classification of advertising and merchandising is beyond the scope of the central office.

A monthly financial report submitted to each member gives his status at a glance. It shows the amount appropriated for each project, the amount spent, and the balance. Monthly reports go to Pittsfield, Worcester, Lynn, Taunton, Providence, York and Middletown, but the central office keeps a more close check than is provided by the monthly report by drawing a balance daily.

The executive office handles no money, but full power is given it to

make purchases, with the clients' approval. All bills are paid through the accounting department of each member concern.

Personal contact and training classes are part of the general merchandising program. Sales talks are given before meetings of doctors, nurses, educators, women's organizations, and schools. There is closer contact between clients and the central office than is usual between advertising agency and client. Frequent conferences are held for the purpose of developing new plans and advice is given on sales problems.

Much of the success of individual campaigns has been due to the cooperation of the employes of each company, hence careful plans are laid to include them. Frequent meetings with route-drivers, salesmen, and plant men have been productive. They bring out vital facts—peculiar twists of nature (concerning the boys themselves), twists that might mean the success or failure of a whole season's campaign.

Training Milk Men

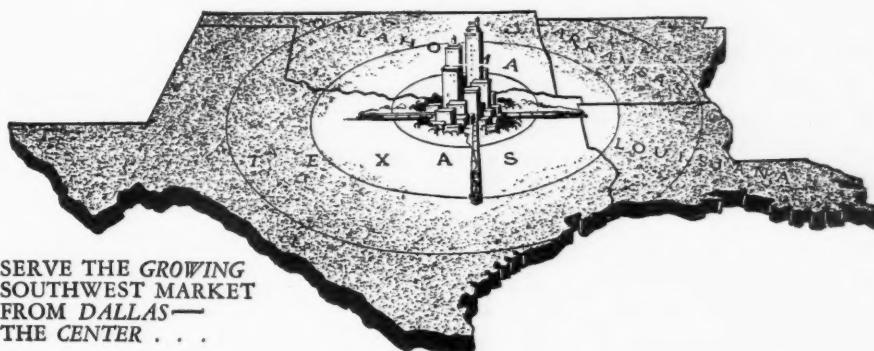
Training classes are conducted for the milk distributor, in addition to the campaign talks to the route-salesmen, solicitors, and plant men. There has been universal neglect of the training of milk men, in the past. Previous to the instruction classes, few of the men knew the importance of good appearance, they knew nothing about their product, nothing about the prospect, nothing about salesmanship. This training is constructive work, and it increases the efficiency and betters the spirit of the organization.

Contests among the milk route-salesmen have played an important part. In such contests the men distribute much of the literature to the families on their routes. Among the items in this literature are bottle hangers, welcome home order cards, special bottle caps, calendars, etc.

Remarkable results from test campaigns show the advisability of carefully formulated plans and a definite goal. A campaign in Providence, conducted for milk, showed a gross gain of 1,351 units, or four new and profitable routes in a fifteen-week period. The gain in grade "A" milk sales for the last week of the twelve-week period, over the first, was 672 units daily.

In eight weeks of the Springfield campaign, 3,338 new families were added to the permanent customer list; in New Haven, 725 were added. For a period of ten months, the net gain in permanent families in Springfield was 1,471; in New Haven it was 2,842.

Southwestern Headquarters at Dallas...



Will Speed Your Sales in this 6 Billion Dollar Market

HOW shall we handle the four Southwestern States of Texas, Oklahoma, Arkansas and Louisiana? This has puzzled many national sales executives. And there's an easy solution. Handle the Southwest as a unit, from a central base—from DALLAS! Here's one of the big reasons: The new mileage scale of freight rates instituted through the decision of the I. C. C. in the Consolidated Southwestern Rate Cases has made the Southwest an "economic province." Highest distribution efficiency and lowest transportation costs can be accomplished only by serving the *whole* Southwest from a central location. American business has chosen DALLAS as Southwestern Headquarters. Investigate how branch facilities at DALLAS will increase *your* Southwestern business. Executives are invited to send for set of seven reports presenting a complete analysis of DALLAS and the Southwest market. Write on your business letterhead or mail the coupon. All inquiries held confidential.

Dallas

Southwestern Headquarters to American Business—2,000 national and sectional concerns maintain branches in DALLAS.



INDUSTRIAL DALLAS, Inc.,
1506 Chamber of Commerce Bldg., Dallas.

Please send your set of seven reports presenting analysis of DALLAS and the Southwest market to:

Name _____

Title _____

Address _____

RAYMOND BILL, *Editor*; HENRY J. WRIGHT, *Advisory Editor*; A. R. HAHN, *Managing Editor*; D. G. BAIRD, R. C. HAY, FRANKLIN JOHNSTON, HERBERT KERKOW, WALTER MANN, JOHN ALLEN MURPHY, RAY B. PRESCOTT, FRED SUHR, JAMES TRUE, *Associate Editors*; LAWRENCE M. HUGHES, *News Editor*; DOROTHY GUERNSEY, *Desk Editor*.

Editorials

PRICE CONTROL: The Capper-Kelly resale price maintenance bill having been favorably reported to the House of Representatives, there is a fair prospect of this much discussed measure becoming a law in the near future. If ever there was need of such legislation there is need of it now when price-cutting is rampant in many parts of the country. But whether the results expected will follow enactment is not altogether clear. . . . As now before the House the bill legalizes resale price agreements between makers of trade-marked goods and their distributors. In case of violation the aggrieved party may sue for breach of contract. As a means of striking at the root of much price-cutting, it is further provided that in any city where such agreements are in effect all retailers can acquire the goods offered on uniform terms, thereby denying to chains and other large purchasers quantity discounts that frequently give them a marked advantage. . . . Under present conditions producers of trade-marked goods can protect themselves by refusing to deal with distributors who disregard the regular trade price. In some cases this penalty is not enforced because of ignorance of judicial decisions. More often disinclination to forego large orders is the reason for tolerating practices which are disruptive of sound business policies. The proposed law would at least serve to clear up a muddled situation. It would test the good faith of weak-kneed producers and reveal what substance there is in threats of large distributors to resort to their own brands more freely as a means of maintaining low prices.

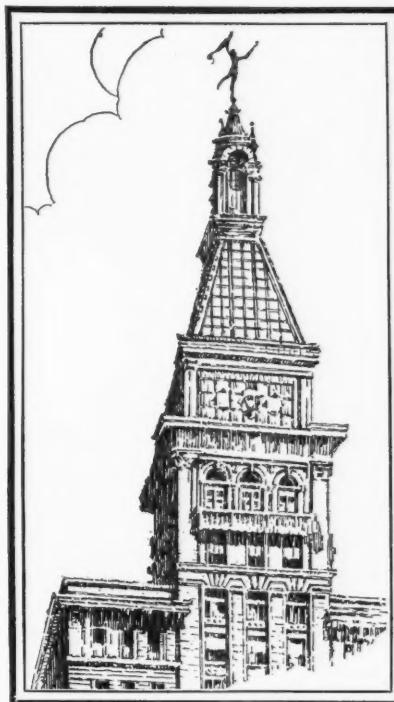
ALL THE WORLD'S A MARKET: The threatened war in the match industry, which seems likely to use a large part of the world as its field, is characteristic of a growing tendency among great producers to think of markets in terms of all countries, not to say of all continents. In this case American and Swedish interests are involved. American Diamond Match has been acting as selling agent for Swedish matches in this country, but disagreements have brought about a termination of this arrangement to take effect at the end of the year. As a result Swedish Match is planning to set up its own sales organization here and may go so far as to build its own factories in this country, while Diamond Match is preparing to muster and enlarge its formidable forces in Great Britain and Canada with a view to trying conclusions with its former associate in foreign markets which have hitherto been dominated by the Swedes. . . .

In the automobile industry Ford has practically abandoned export of cars and parts in favor of foreign plants, and General Motors, now well set up in Germany, is likely to be heard of as a manufacturer in other European countries. The same sort of development has been going forward in other industries to such an extent as to raise the question whether tariff barriers are not likely eventually to prove of interest mainly as monuments to usages of days when men's activities were seriously hampered by distance. . . . In facilitating this great change air locomotion is destined to play a large part. Already we hear of definite financial obligations to undertake a service of transatlantic dirigibles able to make the crossing in fifty hours, less than half the time taken by the fleet new German steamships. At this rate of progress in rapid communications branches of American business in London, Paris, Berlin or Rome will soon be as accessible to home headquarters as though they were in our own country.

NEW AUTOMOBILE BUYERS: Twenty-six and a half million motor cars were registered in this country last year. In 1928 the number was twenty-four and a half million. The increase in road vehicles, in other words, was very much larger than the increase in the number of our families between the two years. If passenger cars in use were equally distributed about eighty-two families in every hundred would be equipped with the implements of fast locomotion. The number actually enjoying these facilities is probably nearer sixty-five in every hundred, the rest of the cars being accounted for by the families and individuals that are not satisfied with a single car. . . . To those who believe that the market composed of new users of cars is approaching a state of saturation the following table of automobile registrations during the last decade should be illuminating, index numbers being used for the purpose of simplification:

(1920—9,232,000 cars=100)
1920—100, 1921—113, 1922—133, 1923—163, 1924—191,
1925—216, 1926—238, 1927—256, 1928—265, 1929—287.

The largest gain in any single year of this period was 23 per cent in 1923, the smallest, 4 per cent, in 1928. In 1929 the increase was 8 per cent, the same as in 1927 over 1926. The obvious conclusion from these figures is that the industry has good reason to expect ample demands from new customers in the future, to say nothing of the ever-increasing replacement requirements.



gerald page-wood
BECOMES A PARTNER OF
Williams & Cunningham

EFFECTIVE APRIL, 1930

- This announcement will be interesting to the many friends of both Mr. Page-Wood and Williams & Cunningham.
- We believe that Williams & Cunningham's thirty years of honorable achievement are a fit background for the exercise of those unquestioned gifts which have made Mr. Page-Wood an outstanding personage in the advertising business.

Williams & Cunningham

*Whose business is the study and
execution of good advertising*

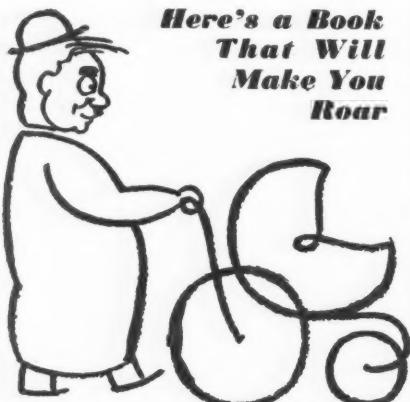
6 NORTH MICHIGAN AVENUE · CHICAGO

PHILADELPHIA

ROCKFORD

TORONTO





EXPECTANT FATHERS

Their Care and Treatment
By

Douglas Vass Martin, Jr.
Originator of The 49th State

For Fathers-to-be
Mothers-to-be...Bridegrooms
Doctors and Nurses Chuckle Over It
Ideal Gift or Bridge Prize

\$1 at your bookseller's
profusely Illustrated



Covers the
whole subject
of

EXPECTANT FATHERS

from the first breaking of the glad news to the announcement "It's a boy (or girl)"

... "So chuckful of fun that it is calculated to save the life of many a father who waits outside for the doctor or nurse to appear and murmur,

"It's a girl."
St. Louis Globe-Democrat

"Mr. Martin has met a public demand and is deserving of the thanks of that unfortunate and growing group of expectant fathers who are now little more than dust under the feet of a marching army of trained nurses and haughty obstetricians. The little book is very happily and understandingly illustrated."—St. Louis Times.



SALES MANAGEMENT
420 Lexington Ave., New York

Enclosed find \$1.00 for which have DeVass Publishing Co., St. Louis, send me a copy of "Expectant Fathers."

Name
Address
City

*Here's a Book
That Will
Make You
Roar*

Oshkosh Makes a Ten-Strike Selling without Salesmen

(Continued from page 17)

unhesitatingly recommended the only method of overall merchandising that could possibly succeed in the face of such competition: that of featuring overalls as a leader and selling them without profit, thereby offering a better value than the chains, because the overalls are better and the price is only a little higher.

We have been doing this for years. We can point to hundreds of our dealers who use the plan successfully. We do not know of a thorough trial which has proven unsuccessful. Overalls are the ideal leader and a quality line used as such is a steady producer of goodwill and business in other lines which increases cumulatively in proportion to the length of time it is used.

In 1928 we published a booklet on this subject, outlining the plan and the reasons behind it, and citing a large number of examples of leading merchants throughout the country who had been notably successful with it. These merchants were named, figures on their overall business were published, and specimens of their overall-leader advertisements were reproduced.

The reception of this plan by our dealers was so enthusiastic that we sought other means of bringing down the cost of our goods, enabling them, in turn, to make a closer and more competitive price to the consumer.

First Tried on the Coast

During the latter part of 1928 we lost our representatives on the Pacific Coast. We did not replace them immediately and when much the usual volume of orders continued to come in by mail, we began to wonder whether, in view of all the circumstances, we could not dispense with the services of salesmen entirely and give our customers the benefit of the resulting saving.

We decided that during 1929 we would try out a plan of selling direct by mail in eight Western states, Washington, Oregon, Idaho, California, Nevada, Utah, New Mexico and Arizona.

The net result was that we lost 6 1/2 per cent in actual sales volume in those states during 1929, as compared with 1928, which was a very minor loss when compared with the saving in the cost of sales. The plan really developed automatically into one of selective selling, for the small, unprofitable accounts which required the

most selling effort and yielded the least volume were the principal ones lost.

During 1929 we released twenty-six salesmen, retaining only four, whom we made district sales managers, each man being responsible for about one-quarter of the United States. These men are all paid a straight salary and expenses. Their earnings will be more than if they had continued to work a regular territory on a commission basis. Their work is largely missionary in character and they are not judged by the amount of goods they sell. Their chief function is to act as service and contact men between our dealers and this office.

Our publication advertising program embraces principal farm papers and the International Brotherhood journals, as it has for the past ten years without interruption. To sustained national and sectional advertising in our principal markets we attribute much of the responsibility for the present enviable position we occupy in our industry.

Direct-Mail Increased

Our direct-mail sales promotion activities are being expanded considerably and will, of course, cost more than formerly, but, at most, it will be only a small fraction of the cost of operating a sales force of thirty salesmen.

It is not the primary purpose of the plan to save money for ourselves by eliminating salesmen. We pass the saving on to our dealers in order that they may sell Oshkosh B'Gosh overalls at lower and more competitive prices.

This we will do on the basis of a greatly reduced quantity discount scale. The maximum quantity discount of 5 per cent, which represents the full average selling cost, will be granted to all merchants whose net shipments for the calendar year 1930, including all lot numbers, exceed fifty dozen. The scale then grades down to 4 per cent for forty dozen, 3 per cent for thirty dozen, 2 per cent for twenty dozen, and 1 per cent for ten dozen. Annual shipments of less than ten dozen receive no discount.

In addition, we shall allow full freight deduction on all orders of five dozen or more. As no allowance is made on parcel post or express shipments, all orders are shipped f. o. b.

the factory and deductions for freight from remittances are allowed when accompanied by the paid freight bill.

We specifically advocate to dealers that it is wise merchandising on their part to use this reduction in cost to lower the selling price to the consumer, thereby better to compete with the national chain stores which sell overalls at cost.

The plan has been well received by our dealers. We have lost some small, poorly rated accounts, but these have been more than balanced by excellent new dealers who are successful because they are constantly alert for progressive merchandising ideas; merchants who are fully aware that the ultimate solution of the problem of modern competition lies in the close cooperation of manufacturers of high-grade, nationally advertised lines and strong, capably managed retail stores which give exceptional values in the fullest sense of the term.

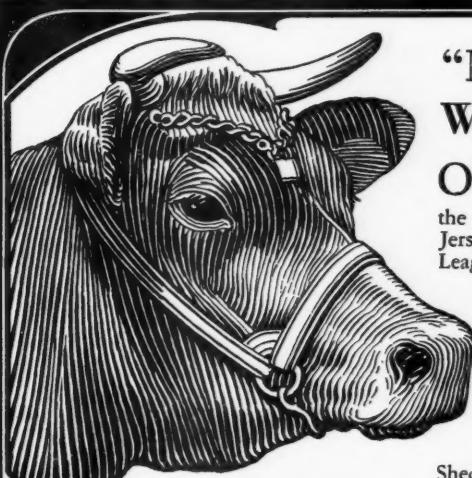
Sales Management Weekly Index to Motor Activity

(Average of years 1924-28, inclusive, equals 100)

Year 1930	Year 1929
Jan. 4 112	Jan. 5 103
Jan. 11 114	Jan. 12 138
Jan. 18 118	Jan. 19 142
Jan. 25 127	Jan. 26 144
Feb. 1 127	Feb. 2 147
Feb. 8 128	Feb. 9 149
Feb. 15 129	Feb. 16 147
Feb. 22 128	Feb. 23 153
Mar. 1 120	Mar. 2 150
Mar. 8 120	Mar. 9 147
Mar. 15 117	Mar. 16 149
Mar. 22 116	Mar. 23 153
Mar. 29 121	Mar. 30 153

The exact sources of data on which the SALES MANAGEMENT Weekly Index of Motor Activity is based cannot be completely explained or disclosed for the reason that much of the information used is obtained in confidence. The computation itself is entrusted to one of the leading economists and statisticians of the automotive industry.

The principal factor involved is that of factory consumption, the data being used along this line involving approximately 25 per cent of the total production of the motor car industry. Inasmuch as production of automobiles is adjusted to retail sales at relatively short intervals of time, this index really portrays to some extent the trend of motor car retail sales as well as of motor car production. The volume of business transacted by the automotive industry, including its tremendous consumption of many and varied types of products as glass, steel, paint, cotton, copper, etc., gives this index of motor activity much significance from the standpoint of the business of the country at large. The fact that it can be obtained weekly also contributes to making it one of the most valuable indices to general business conditions that have been thus far developed.



"Master Farmers"
Who Are Dairymen

OF the 36 men who have received the degree of Master Farmer in the States of New York and New Jersey, 18 read the Dairymen's League News. The significance of this will be more readily seen when it is realized that these 36 men include poultrymen, vegetable and fruit growers as well as dairymen.

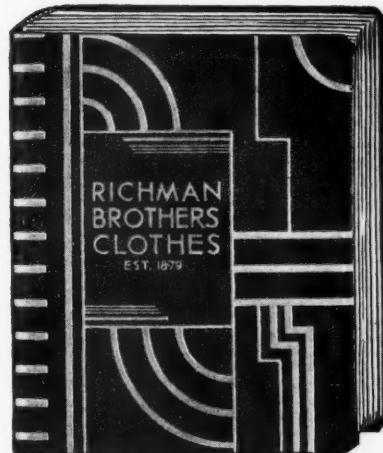
Almost without exception, those "Master Farmers" in "The New York City Milk Shed" who are interested in dairying read the Dairymen's League News. To reach these leaders and the thousands of successful dairymen who have never received this honorary degree, you must use this outstanding dairy paper of the East.

No other approaches it in influence among the dairymen of this rich territory.

DAIRYMEN'S
league
NEWS

"THE DAIRY PAPER OF THE
NEW YORK CITY MILK SHED"

BURK-ART MODERN BOOK COVERS



The newness and originality of modern design can be attractively expressed in Burk-Art processed covers. Burk-Art covers are made in a wide range of grades for catalogs, loose-leaf binders, parts and price books, etc. Write for sample covers and sketch suggestions.

THE BURKHARDT COMPANY: LARNED & SECOND: DETROIT MICH

Get More Volume From the South

Over a million people — all good substantial, influential white people read the Southern Methodist Publications. They have money to spend.

They need and want your products. Turn to Standard Rate and Data or let us send facts and figures about this great untapped market.

LAMAR & WHITMORE
Nashville, Tenn.

"An Address of Distinction"



One of
the World's
Great Hotels

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THE DRAKE
HOTEL, CHICAGO
Under Blackstone Management

The Smaller Advertiser Fifteen Years Ago—and Now

(Continued from page 20)

expenditure had increased 270 per cent, and their total 200 per cent. As compared with this the group of smaller advertisers had decreased by 22 per cent, their number now being four hundred and fifty-two. In investments they were averaging \$118,606, an increase of 585 per cent over 1915, while their total amounted to \$53,609,000, or 437 per cent above where they started in 1915.

"Up to this point we have been discussing individual companies that have been grouped together not because of any similarity in products but because of a similarity in their advertising investments. A different but very interesting picture of recent advertising history is given when we group the companies according to similarity of products. One of the charts on page 20 shows the twenty-three classes into which we divide national advertisers and indicates for each one the volume of advertising in 1913 and the volume of 1929. The difference between these two amounts, consequently, represents sixteen years of growth.

Growth of Different Classes

"There are various points of interest to be brought out in the discussion of this chart; chiefly, the varying growths of the different classes.

"This year, for the first time since 1922, drugs and toilet goods outranks any other classification, with just under \$25,000,000. Foods and food beverages comes second instead of first as it has for three out of the last four years. Automotive ranks third as it did last year. Prior to that it had been first or second in every year since 1923. This readjustment with drugs and toilet goods first, food and food beverages second and automotive third is not a radical change; the three classes are still within a range of about \$2,000,000 of each other. These three groups, totaling as they do nearly \$75,000,000, account for approximately 48 per cent of the advertising in all fields.

"A more detailed study of these three classes is given in another chart — 'The Big Three'. It emphasizes the uniformity with which the automotive class led all others up to the last few years, and at the same time shows how uniformly drugs and toilet goods had been third until just one year ago. The next classification, furniture and fur-

nishings, falls well behind these three leaders, having an investment of \$15,818,490 in 1929. In terms of sixteen years growth the leading industries are: Machinery with 1,864 per cent increase; lubricants 1,282 per cent; furniture and furnishings 969 per cent; drugs and toilet goods 846 per cent; non-manufactured goods and services 747 per cent; soaps and housekeeping supplies 718 per cent; building materials 606 per cent; paints and varnishes 569 per cent; foods 567 per cent.*

"In last year's edition of 'National Markets and National Advertising' we showed a comparison between department store, chain store, and mail-order advertising. The total of the three amounted to less than a million dollars (\$919,756), and the class as a whole stood next to the bottom in the list of twenty-three industries which we show, garden implements, seeds and bulbs being the only smaller classification. This year the class as a whole has almost exactly doubled, reaching \$1,833,415. Perhaps the most interesting thing in this increase is its allocation to the three different classes which make it up. Department stores stayed on a very even level for a number of years, and were, in 1928, just about where they had been in 1920—roughly \$200,000. Last year, however, they dropped to \$126,550, 37 per cent below their 1928 figure. At the same time, mail-order advertising has increased from \$230,408 to \$543,125, an increase of approximately 136 per cent, and chain store advertising has made a jump from \$487,468 to \$1,163,740, an increase of 139 per cent."

*This completes this highly interesting series on the growth of advertising from 1915 to 1929. We are indebted to the Research Department of the Crowell Publishing Company for the use of these charts and figures.

Westinghouse Names Pittman

S. H. Pittman has become manager of the sales promotion section, domestic appliance department of the Westinghouse Electric & Manufacturing Company. His office will be in Mansfield, Ohio. Formerly with Westinghouse in advertising capacities, Mr. Pittman more recently has been with the Cincinnati Post.

Ground was broken last week for the new \$1,500,000 home of the St. Louis Star, to be erected at High, Morgan and Twelfth Streets. The building is expected to be completed in 1932.

Public Antagonism—A Knife in the Heart of the Chains

(Continued from page 11)

have sold farm products at or below cost.

Next to the newspapers, the radio is undoubtedly the most important factor of the movement. Regardless of the effectiveness of the broadcasting of the celebrated W. K. Henderson, of Shreveport, Louisiana, he appears to have encouraged others to take up the fight by radio, and many organizations are using this means to disseminate their propaganda. In the opinion of the previously mentioned executive the subject of chain stores has become an important radio feature in a majority of the states, and in several it is second in interest only to "Amos 'n' Andy."

The third factor in importance is probably the avalanche of printed material being circulated by the organizations. About eighteen months ago the American Wholesale Grocers' Association published a special report in the form of a pamphlet, entitled, "What Every Woman Wants to Know About Grocery Shopping." It was prepared after several investigations, and presented a brief and simple statement of the economic principles involved, and explained the most delusive of chain practices. It is still being sold through wholesalers and retailers, and is reported to have had a circulation of nearly 2,000,000 copies.

All Forms of Material

It is claimed that wherever this report has been circulated it has been effective, and its success undoubtedly has been more or less responsible for the hundreds of publications that have followed it. This part of the campaign includes pamphlets, broadsides, and practically every suitable form of printed material, including periodicals.

Of the magazines, a typical example is *Break the Chains Weekly*, which is edited by Jean Jacques and published by the Break the Chains Association of Minneapolis. In a recent letter the editor states that the fact and fiction publication of thirty-two pages and cover is remarkably successful in swaying public opinion, and adds: "We started with a circulation paid of 1,500 copies. Today, we run well over 8,000 paid and are printing 30,000 copies every week."

Similar enterprises are reported from a number of cities, and the publication of magazines appears to be rapidly becoming the custom among the larger organizations. As an ex-

ample, on March 12 the Texas Anti-Chain Association announced that it had been granted a charter. The avowed purpose of the organization, which is sponsored by independent merchants, is to drive the foreign-owned chains from Texas, and one of its principal weapons is a fiery newspaper, *The Anti-Chain World*, which is distributed by independent retailers.

Unfortunately, the condition has invited the racketeer, and there have been many complaints of fly-by-night organizations, apparently promoted for the sole purpose of enriching the promoters. Not long ago the National Association of Retail Grocers published a statement of warning against "private promoters soliciting funds through an appeal to prejudice, on promises which offer no lasting benefit, and which, properly analyzed, are nothing more than 'fight promotion for private profit.'"

The Chains' Reactions

The chain organizations, in the main, appear to be content to allow the fight to wear itself out, and there are but few exceptions. One chain store association has published a pamphlet in defense of its members, several operators have retaliated individually, and others have shown the effect of the campaign by changing their established policies.

The fight between Clarence Saunders and Henderson in the South offers the most conspicuous example of individual retaliation. Saunders is viciously attacking Henderson through newspaper advertisements, and the latter is replying by radio, and the fight is looked upon by many of the anti-chain campaigners as an indication that their attacks are hurting one of the most successful chains.

From a number of states comes the information that the chains are changing their attitude in the matter of contributing to the support of local charitable and public enterprises. For instance, the Dallas *Morning News* of March 12 carried a news story which reads, "A contribution of \$400 to the building fund of the Dallas Woman's Forum by the Atlantic and Pacific Tea Company stores of Dallas, through the president, R. H. Crocker, was announced Tuesday by the building committee at a general meeting of the forum. . . . In making the contribution, Mr. Crocker said his com-

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A record of the Proceedings of the Second Merchandising Conference, held under our auspices in Boston, in May, is available for loan to company officials. A request will place your name on the list to receive a copy, which is to be returned to us in ten days.

Sales Executive Needed

THE MANUFACTURER—Largest in its field; highest financial standing; long record of vigorous growth; still rapidly expanding.

THE PRODUCT—New and adequately proven; extraordinarily versatile as to usage; every manufacturing plant and every new building is immediate prospect; at least 90% of existing buildings are likewise immediate prospects; possesses extraordinary patent background.

THE JOB—To quickly organize and train large selling force; present sales force limited; sales will be almost exclusively to consumers in all U. S. territory east of the Rockies; headquarters probably New York.

THE MAN—Must be sound, well balanced and with capacity to fit and to grow in fast-moving, fast-growing business; definitely successful record, also best character references essential; complete information as to qualifications, experience, references and salary expected in first letter.

Address Box No. 235
SALES MANAGEMENT
420 Lexington Ave., New York, N. Y.

pany took pleasure in being the first of the chain stores to support the civic project which the Woman's Forum is undertaking, namely, the building of a handsome club home."

The good will national advertising of the chains is familiar, and of late some of it shows evidence of having been prepared to nullify the effect of the anti-chain campaign. It is also reported that at least one and perhaps several other chains will soon enter the national advertising field with good will campaigns.

However, to date, there is little doubt that the independent retailers in nearly all parts of the country have attracted the attention of the public, with varying degrees of success, to the weakness of chain store distribution.

In summing up the results, the executive previously mentioned said that perhaps the greatest benefit is that the campaign has taught the independents that they have nothing to fear from the chains. He continued:

Shaking-Down Process

"We look upon the present agitation as a shaking-down process that will eventually assist both independent and chain operators to find their level of economic justification. The subject of buying, which is supposed to be a major advantage of the chains, is taking on new aspects. The buying situation is constantly getting better for the independents, while it is unquestionably getting worse for the chains. The general break in chain profits and the reports of less volume per store in many instances also indicate an improved position for the independents. The chains are competing more aggressively with each other, and they show a tendency to go to smaller towns for their further development; but there is no doubt that the most encouraging aspect is the rapidly increasing efficiency of independent dealers.

"From many parts of the country have come reports of the success of the so-called voluntary chains—cooperative organizations of independent retailers, mostly in the grocery field. In several sections, and particularly in one Northern state, according to our information, these organizations not only have put a number of chain stores out of business, but they have financed the managers of the stores to set up independent stores as members of their organizations. Undoubtedly, the anti-chain campaigns have contributed to results of this kind; but I am sure that all successful retailers realize that their future depends on sound merchandising, and that the deluge of anti-chain propaganda will subside as rapidly as it developed."

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IF YOU ARE OPEN TO OVERTURES FOR new connection and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service, of recognized standing and reputation, through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements; your identity covered and present position protected. Established twenty years. Send only name and address for details. R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

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\$50 to \$50,000 DAILY SALES SECURED FOR our clients. This distributor took on a new specialty, retailing at \$60. His first purchase \$12. We submitted a sales program capable of national expansion. Within four years his sales were nation-wide, running to \$100,000 monthly. 35 years' salesmanship-in-print experience back of our campaigns. Submit Sales problems for free diagnosis. 10 years Sales Promotion Manager, Larkin Co. James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.

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DIRECT MAIL IDEAS WANTED: WE BUY unique direct mail ideas on Royalty Basis or outright. If you have something different, original, out of the ordinary, especially ideas that can be syndicated to more than one firm, write us. Real opportunity to turn your ideas into cash. Address Box 236, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

Index to Advertisers

American Weekly	Cover	Marine Midland Corp. of New York	19
Batten, Barton, Durstine & Osborn, Inc.	4	Multiplex Display Fixture Co.	37
Bigelow, Kent, Willard & Co., Inc.,	47	Munising Paper Co.	27
Burkhardt Co.	45		
Chicago Daily News	1	National Outdoor Advertising Bureau	6-7
Chicago Tribune	Cover	New York World & Evening World	8
Cincinnati Times-Star	40	Oakland Motor Car Co.	29
Cowles Publications	24-25	Pacific Northwest Farm Trio	24-25
Dairymen's League News	45	Postage & Mailbag	48
Drake Hotel	46	Powers Engraving Companies ..	Cover
Du-Plex Onvelope Corp.	34	Providence Journal Co.	39
Florida Times-Union	5	Richmond News-Leader	3
Gibbons, Ltd., J. J.	48	Safe-Guard Check Writer Corp.	35
Hotels Statler	38	Society for Visual Education, Inc.	33
Industrial Dallas, Inc.	41	Southern Methodist Publications ..	46
Kimberly-Clark Corp.	Facing 20	Taxi Weekly	48
Lamar & Whitmore	46	Williams & Cunningham	43
Los Angeles Evening Herald....	31	Wilson-Jones Co.	2

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